

# Annual Internal Audit Report 2020/21

WOODVILLE PARISH COUNCIL

<https://www.woodvilleparishcouncil.gov.uk>

During the financial year ended 31 March 2021, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2020/21 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")	✓		
L. If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.	✓		
M. The authority, during the previous year (2019-20) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).		✓	
N. The authority has complied with the publication requirements for 2019/20 AGAR (see AGAR Page 1 Guidance Notes).	✓		
<b>O. (For local councils only)</b> Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

13/06/2021

Name of person who carried out the internal audit

JOANNE LOCKLEY

Signature of person who carried out the internal audit

*Joanne Lockley*

Date

13/06/2021

\*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\*Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).



## ANNUAL REPORT OF THE INTERNAL AUDITOR

I have undertaken an internal audit of Woodville Parish Council for the year ending 31<sup>st</sup> March 2020. My role as internal auditor is to assist the council in fulfilling its responsibility for the prevention and detection of fraud and corruption, errors and mistakes. This is achieved by ensuring that proper systems and financial controls are in place to fulfil this objective. It is not the role of the internal auditor to actively seek errors and mistakes, although these may come to light during the course of the audit. In an organisation such as a Parish Council the Council acts as management and the clerk is an employee of the council.

I have carried out all the tests which have been suggested by the Audit Commission and have completed section 4 of the Annual Return. There are 11 control objectives laid down in Section 4 of the Audit Commission's Annual Return. The internal auditor has to give an opinion as to whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the council. There are no issues to which I need to draw your attention.

### **General Comment**

Section 1 of the Annual Return is the Annual Governance Statement which the council as a whole is responsible for completing. The external auditor can ask for additional documentary evidence to verify that any or all of the assertions made on the statement can be substantiated. I would therefore recommend all members of the council to familiarise themselves with the requirement of section 1 of the Annual Return.

This section is often completed after the internal auditor has completed his/her part and therefore has no way of knowing whether this section has been completed in an accurate manner. Nor does it form part of the role of the internal auditor to verify its accuracy.

Finally I would like to thank Andrea Robinson, the Clerk and Responsible Financial Officer, for the help and assistance provided during the course of the audit.



Joanne Lockley ACMA, MAAT, BA(Hons)  
Accountant