

Internal Audit for Lavant Parish Council

I certify that I Ellie O'Flanagan have carried out tests in accordance with "Governance and Accountability in Local Councils". Revised under local Audit and Accountability Act 2014.

I have examined the following documents

Cash Book and Bank Statements and Cheque Books

VAT Workings

Income and Expenditure

Minutes and Agendas

Financial Statements to Members

Clerk and RFO Contract of Employment

Payroll

Fixed Assets Register

Insurance Schedule

Risk Assessment

A - Appropriate Books

A sample of cheques issued and cashed is the norm. **All accounted for correctly and efficiently. The use of online payments through the bank line is becoming more active and I can confirm that a full audit trail is available for all.**

B-Financial Regulations

A Cashbook and Set of Accounts have been maintained. **I am happy that the procedures used including Spreadsheets balances and is an efficient way**

of recording the transactions. Under the new 2014 Act financial records must be available and sent with the minutes to all councillors but I feel the cashbook is a document that should be kept by the RFO (Clerk) and is not required to be distributed to councillors, but can be viewed on request. This note is the same as last year, it stands. Cllr Ladds is still providing information to Councillors, which they enjoy BUT this is not part of the requirement of Financial Reporting and should not be issued to members of the public and thus should not be added to the website.

C-Risk Assessment A New Risk Assessment policy was available. **All the hard work was carried out last year, but don't let this become a standing order. It needs to be reviewed quarterly. It is a working document. This is the second year of this note. It really needs to be a working document.**

D - Budgets - All adequate.

E- Income and Expenditure - All correct and accounted for. **All Variances accounted for with Folio and Minute numbers.**

F-Petty Cash - NOT APPLICABLE

G-Salaries and PAYE -The Employment Contract for the Clerk and RFO is taken from NALC and is thus correct and to a standard. Salaries are prepared by WSCC.

H-Fixed Assets The Fixed Assets register is up to date. **New Purchase of Tractor added. VAT has been accounted for at point of purchase and not quarterly per the loan schedule.**

I-Bank Recs - Carried out correctly and regularly.

J-Accounts Annual Return - I have carried out the internal audit and signed accordingly. **Section 1 and 2 can be completed and Minuted at your meeting in May. The internal audit has to be completed within the timeframe to the External Auditor.**

My responsibility to you is transparency and to provide support and suggestions for the coming year.

The remit is to also ensure an external audit is completed without issues by ensuring variances are fully explained and detailed. LPC is a very active Council and whilst the business owners amongst you find some of the rules petty they have been created over the years to protect councils and their precept.

After many years 2017/2018 has, in place, the forms and procedures to make an internal audit more

of a belt and braces exercise rather than that of procedural advice.

But, I would suggest, again, that training is completed by councillors, new and existing and if a new Chairman is appointed, that councillor attend the New Chairman course. There is also a Budget Planning and Finance course, if anyone is interested on the Finance sub committee