

# Annual Internal Audit Report 2019/20

Goathurst Parish Council

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation during the financial year ended 31 March 2020.

The internal audit for 2019/20 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	Agreed? Please choose one of the following		
	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.		✓	None held
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.			✓ <small>Village Hall ownership &amp; value to be confirmed</small>
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
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 2018/19, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2018/19 AGAR tick "not covered")	✓		
L. The authority has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.	✓		
<b>M. (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

29 04 2020

Name of person who carried out the internal audit

Mr Colin Chalmers

Signature of person who carried out the internal audit



Date

29 04 2020

\*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).

**AGAR: Annual Internal Audit Report 2019/20 – Addendum**

This addendum provides an explanatory note to item G on the internal audit report.

It came to our notice during 2019 that Goathurst Parish Council may be the owners of Goathurst Village Hall, which is entrusted to and managed by the Village Hall Committee. Arrangements were in hand to retrieve the original Title Deeds from Somerset Heritage Centre on 26<sup>th</sup> March 2020 to have them examined by a Solicitor to establish ownership of the land and property. The plan was to have the village hall valued and subsequently registered with the Land Registry. However, the 'lockdown' introduced in March 2020 led to the closure of the Somerset Heritage Centre, so the documentation cannot currently be obtained.

The village hall does not appear to have been recorded in any asset register I have been able to view, but if ownership by the Parish Council is confirmed and a valuation obtained before the next annual audit, it will be included in the 2020/21 annual audit.

Sharon Piron

Clerk to Goathurst Parish Council

29/04/20

*Sharon Piron*

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29/04/2020

### Statement from the Internal Examiner

I have examined the accounts as presented and checked that all payments and receipts have been correctly recorded and accounted for.

Any queries have been successfully resolved by reference to the accompanying documents.

The overall accounting has been correctly carried out and agrees with the totals presented.

During meetings that I have been able to attend as an observer, correct protocols for agreeing payments, signing of cheques etc have been correctly carried out.

May I compliment the Clerk on the very clear presentation and organisation of the documents, this has made my task very easy indeed

signed: 

Colin Chalmers - BSc, AKC, DipEd, MSc (Stats), FRSS, CStat (Retd)

Dated: 29/04/2020

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30 April, 2020

Mrs S Piron  
Clerk to Goathurst Parish Council

Dear Sharon,

I have been attending Parish Council Meetings as an observer and, in recent years, as Internal Examiner for the accounts. During the whole of this 14-year period it seems to have been assumed that the Village Hall, given to the village many years back, was owned by the village with Trusteeship and Management abrogated to a Village Hall Committee. Certainly when some years ago there was a presentation of the Village Hall history there was no mention of ownership by the Parish Council.

If searches in the records show that ownership was originally given to the Parish Council then this is an oversight and will need to be corrected in future accounts. I think that the Village Hall is also a registered charity.

A bit of a muddle but the presentation to the village plus discussions as to how much land was to be involved etc is all hidden in the depths of village history. Such is village life!

Best wishes



Colin