

Annual Internal Audit Report 2020/21

Puddletown Area Parish Council

<http://www.puddletownareaparishcouncil.co.uk/> WEBSITE/WEBPAGE ADDRESS

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.	N/A		
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.	N/A		
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). SEE ATTACHED NOTE			✓
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

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

27/04/2021 DD/MM/YYYY DD/MM/YYYY

Name of person who carried out the internal audit

Mrs R Darkin-Miller LLB(Hons) BFP FCA

Signature of person who carried out the internal audit



Date 29/04/2021

*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).

Internal Auditor note on test N:

In order to test compliance with the Council's requirement for the exercise of public rights, I checked to see that the authority complied with the publication requirements for the AGAR 2019/20.

Before 01/09/20, and at least one day before the start of its public rights period (30/07/20) the Council was required to publish ss1&2 of the 2019/20 AGAR (the Annual Governance Statement and accounts), along with the public rights notice and a note that the AGAR was unaudited. The public rights notice was dated 29/07/20, and all of the required information is still shown on the Council website.

The 2020/21 AGAR introduced an additional element of the test, which required internal auditors to also check that the Council published the notice of conclusion of audit, and ss1-3 of the AGAR (including the external audit report) once the external audit was completed and before the deadline of 30/11/20. This additional test was not notified to auditors or Councils until the return was published in March 2021. The notice of conclusion of audit was dated 27/11/20, and all of the required information is still shown on its website.

Although evidence indicates that the Council complied with the publication requirements, External Audit has previously confirmed that the only acceptable proof is via a website audit trail. As the Council has no such facility, I have assessed the test as 'not covered'.

Note that External Audit has confirmed in April 2021 that screenshots of documents taken at the time of upload to and removal from the website will also be accepted in future.

A handwritten signature in black ink, consisting of a series of connected loops and a final horizontal stroke.

R Darkin-Miller LLB (Hons) BFP FCA 29/04/21