

Internal Audit Report

(to be read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return)

Name of council:	Lampport & Hanging Houghton Parish Council		
Name of Internal Auditor:	Gill Wells	Date of report:	15th May 2020
Year ending:	31 March 2020	Date audit carried out:	15th May 2020

Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the council through its staff and management and not left for internal audit. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council in order to detect error or fraud. This report is based on the evidence made available to me and consequently the report is limited to those matters set out below.

The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.

To the Chairman of the Council:

As part of the annual internal audit process I carried out a full examination of book keeping, due process, risk management, bank reconciliations, internal control and performed a detailed scan of the minutes and decisions taken by the Council from 1st April 2019 - 31st March 2020. I also carried out a review of the Council's website and compliance with the Transparency Code.

It should be noted that, due to restrictions resulting from the Covid 19 constraints, the audit was carried out remotely and via the telephone with your Clerk, Frances Allbury.

I have one issue to raise which I bring to your attention and that is that under the Local Government Act 1972 the election of a chairman should be the first business transacted at the annual meeting of the parish council and the existing chair must preside at that meeting i.e. there is no requirement for an acting chair to call for nominations. If the chair is not present then it must be the vice chair who presides at the meeting. Details of the process, for clarity, are as follows:-

The existing chairman shall not be entitled to vote in the election for the position of chairman if they would have ceased to be a member of the Parish Council e.g. if they have not been re-elected or have not stood for election in an election year.

In the case of an equality of votes in the election of a chairman the person presiding at the meeting (ie existing chair) shall give a casting vote in addition to any other vote they may have if they are remaining on the Council.

The chairman shall, unless they resign or become disqualified, continue in office until their successor becomes entitled to act as chairman i.e. has signed the acceptance of office.

This report is based on the evidence made available to me either on the website or confirmed over the telephone. It would be incorrect to view the internal audit report as the detailed inspection of all records and transactions of a council in order to detect error or fraud. Consequently, the report is limited to those matters set out above.

I would like to take this opportunity to thank Frances for her assistance and I wish the Council well.

Yours sincerely,



Gill Wells
Internal Auditor to the Council
Thewellsclan1@googlemail.com

Annual Internal Audit Report 2019/20

LAMPFORD & HANGING HOUGHTON 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, property 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 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.	/		
M. (For local councils only) 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: 15/05/2020

**NORTHANTS CALC LTD
INTERNAL AUDIT SERVICE**

Name of person who carried out the internal audit: GINA WELLS

Signature of person who carried out the internal audit



Date: 15/05/2020

*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).