

Internal Audit Report Notes

Following the receipt of the report from the Internal Auditor, the Clerk has the following points to raise which should be read in conjunction with the internal audit report.

- **Approval of the Accounting Statements and Annual Governance Statement**
 - I have always sought approval of these documents prior to the audit as the audit always falls after the May meeting and AGAR documents have to be submitted by the end of June so an additional meeting would be required to seek approval of these documents as the July meeting is too late. This issue has never been raised before with any of my other Parish Councils, nor was it raised by Cathy during the audit last year with Karen who did the same as I do.
- **Certificate of Exemption**
 - This is the same scenario as above.
- **Accounting Statements**
 - The internal auditor reports there are several significant errors with the Accounting Statements. This is not the case and has reported it to be extreme than it is. The auditor informed me that the figure entered for staff costs should solely be the salary and should not include any expense etc. Again I was not aware of this and have also reported the figure to include expenses and again this has never been highlighted by any auditor before. I did in fact amend the figure on the Accounting Statements and is now correct.
 - The internal auditor reports that the figure in box 6 does not match with the cash book. The figure does match and the cash book and bank statements balance but she would like us to include unpresented cheques in these figures as well even though they have not been taken out of the bank account. The cash book does already do this and there are two columns, one that includes unpresented cheques and one the doesn't. This is so the Cash book balances to the bank statement but at the same time we can also see what money has been allocated from each budget so we do not overspend.
- **Transaction Spot Check**
 - The transaction in question is one done prior to my time and I am unable to provide any further information.
- **Recording bank balance and bank reconciliation**
 - I explained that the cash book is always made available to Councillors and the public but they want it recording on a separate document.
- **Complaints Procedure**
 - I confirmed we did have this procedure in place.

The Clerk has consulted with LRALC about the Internal Auditors report and they have confirmed that all points raised are only recommendations and that they feel this Internal Auditor requires further training in a number of areas.

