

The Lee Parish Council

Financial Year 2019-20

Year End Internal Audit Observations

Visit date: 20 May 2020

B This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	The Clerk is not CiLCA qualified	<i>It is understood that the Clerk is not CiLCA qualified.</i>	The Council should consider whether the Clerk should be CiLCA qualified.	Medium	We have considered this in the past and concluded that, given the size of the parish and the Clerk's wide experience of clerking, this was not necessary. Rather we would see the Clerk engaging in specific training to fill any gaps in her knowledge. As I understand it, this only becomes a requirement if the Parish wishes to apply for "General Power of Competence."

C This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	The Council has not carried out a risk assessment during 2019-20.	<i>The Council has not reviewed the Risk Register in 2019-20. This is due to the current lock down restrictions. The review of the Risk Register was moved to May 2020.</i>	The Council must give a 'Negative' response to Assertion 5 on the Annual Governance Statement 2019-20.	High	This is true... due to an oversight, we omitted to carry out the assessment for the March meeting, but have now carried out an assessment in 2020/21.

D The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	Budget was not approved prior to setting the precept	<i>The Council formally approved the Budget 12 March 2019 after setting the Precept 8 January 2019.</i>	The Council must ensure that the Precept set is based on a specific budget requirement evidenced by a budget approved prior to setting the precept.	High	Again, this is true... we have put it right for 2020/21
2	The Council did not approve the AGS prior to approving the statement of accounts as required under Regulation 6 (4) of the Accounts and Audit Regulations 2015	<i>The Council did not formally record the approval of the Annual Governance & Accounting Statements 14 May 2019 item 9.1 Council minutes. The Council minutes state approval of accounts.</i>	The Council MUST comply with Accounts and Audit Regulation 6 (4) which states "The annual governance statement, referred to in paragraph (1)(b) must be— (a) approved in advance of the relevant authority approving the statement of accounts"	High	This is also true... although they were approved at the same meeting!