

# The Lee Parish Council

Financial Year 2020-21



Visit date: 17 June 2021

## Year End Internal Audit Observations

**Box 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	The Council has not met the requirements of the Accounts and Audit Regulations 2015 which require the Council to "... approve the annual governance statement .... by resolution of members of the authority meeting as a whole."	<i>The Council approved the 2019-20 Accounting Statement prior to approving the Annual Governance Statement. Both documents were signed as approved outside of Full Council Meeting. It is understood this was carried out through emails.</i>	The Council MUST ensure that it approves the Annual Governance Statement by resolution of members of the authority meeting as a whole.  The Council should consider what response it should give in respect of Assertion 3 of the Annual Governance Statement	Non Compliance	
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 2019-20 Annual Governance Statement was signed as approved 29 July 2020 after the Accounting Statement which was approved 29 April 2020.</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"	Non Compliance	
3	The Council has not formally minuted consideration of the points raised by the Internal Auditor in their report.	<i>From review of the Council Meeting Minutes it was not possible to confirm that the Council considered points raised by Internal Audit.</i>	The Council MUST ensure that it minutes consideration of reports of the Internal Auditor.  The Council should consider what response it should give in respect of Assertion 7 of the Annual Governance Statement	High	

**Box 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.

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	It was not possible to agree the draft accounting statements to the draft values in the Annual Accounting Statements	<i>The Council included Home Working Allowance £286.80 in Staff Costs (Box 4) which should have been recorded as an expense (Box 6) on the 2020-21 Accounting Statement.</i>	Council to review the draft accounting statement values and agree them to the year end trial balance	High	

**Box M** During summer 2020 this authority has correctly provided the proper opportunity for the exercise of public rights in accordance with the requirements of the Accounts and Audit Regulations.

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	The period for the Exercise of Public Rights did not commence the day after the Council published the Accounting Statements and Annual Governance Statement	<i>The 2019-20 Accounting Statement was signed 29 April 2020 and the Annual Governance Statement was signed 29 July 2020.</i>  <i>The Council did not hold meetings to formally approve and sign the Accounting Statement and the Annual Governance Statement. It is understood this was due to the lock down restrictions.</i>	The Council to note that the date or the Exercise of Public Rights did not commence the day after the Council published the Accounting Statements and Annual Governance Statement.  The Council Must give a 'Negative' response to Assertion 4 on the 2020-21 Annual Governance Statement.	Non Compliance	
2	The period of the Exercise of Public Rights did not last for 30 working days.	<i>The Period of Exercise of Public Rights commenced on 10 August 2020 and ended 21 September 2020 lasting 31 working days.</i>	The Council to note that the period for the Exercise of Public Rights did not include the first 10 working days of July.  The Council Must give a 'Negative' response to Assertion 4 on the 2020-21 Annual Governance Statement.	Non Compliance	