

LYMINGE PARISH COUNCIL

INTERNAL AUDIT REPORT 2023-24

I am pleased to report to Members of the Parish Council that I have completed my internal audit of the Parish Council's records for 2023-24 and have been able to complete the Annual Internal Audit Report (AIAR) for the 2023-24 Annual Return.

Members should be aware that the audit tests that I undertook during the audit cannot be relied on to identify the occasional omission or insignificant error, nor to disclose breaches of trust or statute, neglect or fraud which may have taken place and which it is the responsibility of the Members of the Council to guard against through the Parish Council's internal control procedures.

As a result of my audit I was able to answer 'YES' to most of the relevant questions contained in the AIAR. I have answered "No" to questions C and M on the AIAR for the reasons set out in my Supplementary report.

I would like to take this opportunity to thank the RFO for the assistance given to me in the conduct of the audit that took place on 10,12 and 19 June 2024.

PREVIOUS AUDITS:

External Audit Certificate 2022-23:

Mazars issued their certificate and report on 29 September 2023. The report includes qualifications and comments. Their completion letter included a Minor Scope for Improvement item in respect of the Accounting Statement.

I have been unable to find a minute indicating that the Council has considered Mazars' report. The Accounts & Audit Regulations set out that all reports from the auditor must be considered by the Council (not a committee) as soon as practicable following receipt.

I reported last year about failure to consider the external audit report from 2021-22. That report was taken to the meeting on 26 June 2023 but the minutes do not indicate any action to be taken about any of the issues in it.

Mazars have included failure to address audit reports as one of the qualification issues in their 29 September 2023 report. There is a possibility that for 2023-24 Mazars will issue a Report in the Public Interest which will cost the Council and comes with its own conditions such as a compulsory meeting held specifically to address the Public Interest Report.

Internal Audit 2022-23:

I reported that the Council did not specify its precept for 2023-24. For 2024-25 the Council has again not specified its precept. I reiterate per s41 Local Government Finance Act 1992 "the precept must be stated as an amount payable by the billing authority." Moreover, as the minute refers only to adoption of the budget as recommended by the Finance & Administration Committee without attaching the budget document to the minutes the decision says nothing about the precept. This is a problem because the precept is determined by the budget per s49A and s41 Local Government Finance Act 1992. For the future the Council should resolve both the budget and precept, include the approved budget in the minutes (or as an appendix) and properly state the precept per s41.

FINDINGS THIS VISIT:

During the audit I carried out sufficient work to enable me to complete the Annual Internal Audit Report. I concentrated on the trail from the annual accounting statement back to the receipts & payments A/c and bank statements while testing transactions to invoices or other supporting

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documentation. I have also reviewed the Council's minutes for compliance with legal obligations, its general functioning and for mutual consistency with the accounts.

I found the financial records to be accurate and up to date.

I was unable to find reviews of Internal Control and Risk Assessment which are required annually (refer Reg 6 Accounts & Audit Regulations 2015 for Internal Control, noting that risk assessment is part of internal control).

I have nothing further to report.

Lionel Robbins
Independent Internal Auditor
30 June 2024