

Gavin Brake  
Overday Farm  
Luppitt  
Honiton  
EX14 4RZ

Councillor John Thorne  
Chairman  
Luppitt Parish Council  
Dove Cottage  
Luppitt  
EX14 4SX

Sunday 23 May 2021

**Internal Audit 2020/2021**

I have now completed the internal audit of Luppitt Parish Council's accounts for the financial year ending 31 March 2021.

I confirm the Cashbook reflects the Council's transactions during the year, and that the Bank Reconciliation (at the close of business on 31 March 2021) matches the year end cash balance of £9096.02 held by the Cooperative Bank in account number 65342907, once adjusted for the three unrepresented cheques (500583/500584/500585) detailed in the papers.

The duties of internal audit relate to reporting on the adequacy and effectiveness of the Council's system of internal control.

The Annual Internal Audit Report, which is part of the Annual Governance and Accountability Return, requires me to check the Council's 14 key internal control objectives, covering the Council's key financial and accounting systems, and assess whether, in all significant respects, the internal control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Council.

I have completed this assessment, and I conclude that your financial systems are of a standard adequate to meet the needs of the Council.

This is the third year for which I have acted as internal auditor. As a general point, the Parish Council is very well run and your RFO (the Parish Clerk) provides excellent documentation to enable me to conduct my audit. My prior year recommendations have been actioned, where possible, or remain ongoing. There is very little for me to comment on this year, which is an excellent reflection on the Parish Council.

Yours sincerely,



Gavin Brake

(I have undertaken this task on a voluntary basis, without remuneration, as a parishioner, in order to assist the effective functioning of Luppitt Parish Council).



# Annual Internal Audit Report 2020/21

ENTER NAME OF AUTHORITY COUNCIL  
 LUPTON PARISH COUNCIL

ENTER FULL ADDRESS OF AUTHORITY  
 WWW.LUPTONPARISHCOUNCIL.CO.UK ADDRESS

During the financial year ended 31 March 2021, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2020/21 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	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, properly 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.	✓		
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 bank account reconciliations were properly carried out during the year.	✓		
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 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")	✓		
L. If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.	✓		
M. The authority, during the previous year (2019-20) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2019/20 AGAR (see AGAR Page 1 Guidance Notes).	✓		

O. (For local councils only)	Yes	No	Not applicable
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: 23/05/2021 DD/MM/YYYY DD/MM/YYYY  
 Name of person who carried out the internal audit: ENT GAVIN O'BRIEN AUDITOR

Signature of person who carried out the internal audit: [Signature] SIGNATURE REQUIRED Date: 23/05/2021

\*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).