



## Internal Audit Report.

This audit report is to read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return.

Council:	<b>Asterby &amp; Goulceby Parish Council</b>
Internal Auditor:	Andrew Everard
Year Ending:	31 March 2023
Date of Report	15 <sup>th</sup> May 2023

Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the council through its staff and management and not left for internal audit. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council to detect error or fraud. This report is based on the evidence made available to me and consequently the report is limited to those matters set out below.

The internal audit has been conducted to ensure compliance with the Proper Practices outlined in The Practitioners' Guide 2022.

**The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.**

# Lincolnshire Association of Local Councils

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### To the Chairman and Members of Asterby & Goulceby Parish Council

I have examined council business including policies, agendas & minutes, accounting and financial statements and other documents relevant to this audit. Management & governance of the council is satisfactory.

Some of these did affect the completion of the draft AGAR for this year and were corrected during the audit process.

Several areas were identified where action was recommended and are offered as suggestions for improvement. I have discussed these with the Clerk, see below.

<b>Accounting methods and periodic bank reconciliations</b>	Compliant
<b>Financial Regulations, purchases, invoices, payments, and VAT</b>	Compliant Recommendation <ul style="list-style-type: none"><li>- Ensure that VAT invoices are obtained and on record.</li></ul>
<b>Risk Management</b>	No formal process was evident, but insurance is in place. Recommend that <ul style="list-style-type: none"><li>- a risk register is maintained</li><li>- new risks are identified such as when new assets are purchased, or new services considered, inspection of asset condition is recorded at least annually</li><li>- if volunteers are going to undertake tasks a volunteer policy and risk assessments are completed (to meet insurance requirements)</li><li>- sufficient general or earmarked reserves are maintained to cover unforeseen events</li></ul>
<b>Budget and precept procedures</b>	Compliant
<b>Income</b>	Compliant
<b>Petty Cash</b>	Not applicable
<b>Employment and salaries</b>	Compliant

<b>Assets</b>	Compliant. Recommend that <ul style="list-style-type: none"> <li>- assets are added to the asset register (net of VAT) shortly after purchase and disposals are removed from the asset register shortly after disposal.</li> <li>- Assets that are donated to the council should be recorded as £1 .</li> </ul>
<b>Accounting</b>	Compliant
<b>Exemption from limited assurance audit</b>	Compliant
<b>Transparency Code compliance</b>	Compliant
<b>Rights of Public Inspection</b>	Compliant
<b>Publication</b>	Compliant
<b>Trust Funds</b>	Not applicable

Yours sincerely

**Andrew Everard**  
**Internal Auditor**  
**Lincolnshire Association Local Councils**  
**Date: 15/5/2023**