

Internal Audit Report

(to be read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return)

Name of council:	Syston Town Council		
Name of Internal Auditor:	Hannah Surtees	Date of report:	22.05.2020
Year ending:	31 March 2020	Date audit carried out:	22.05.2020

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 staff and management and not left for internal audit.

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.

To the Chairman of the Council:

Due to the current coronavirus pandemic, I communicated remotely with Catherine Voyce (Town Manager and Responsible Financial Officer) in order to complete the 2019-20 internal audit for Syston Town Council. I would like to thank Catherine for her time and assistance in co-operating in this manner.

A series of independent audit tests were undertaken using the various financial records, documents, minutes and the previous audit report to ascertain the efficiency and effectiveness of the Council's internal controls. These tests were undertaken by reference to the comprehensive information available on the Town Council's website, along with additional documentation being obtained electronically.

Internal Control

1. The accounts are completed in a timely manner and are reported to Council on a regular basis, along with budget monitoring reports.
2. Payroll information was checked to ensure that suitable arrangements are in place for the deduction of PAYE, National Insurance contributions and Pension contributions from the gross salary.
3. VAT reimbursement claims are submitted to HMRC at regular intervals throughout the year.

Risk Management

1. The Town Council continues to formally identify and assess its risks. It has put additional mitigation measures in place to reduce its known risks following a claim for damages that was made against it during the 2019-20 financial year.

The figures submitted in the Annual Governance and Accountability Return are:

	Year ending 31 March 2019	Year ending 31 March 2020
1. Balances brought forward	639,426	509,391
2. Annual precept	439,932	465,200
3. Total other receipts	146,043	223,650
4. Staff costs	292,341	287,726
5. Loan interest/capital repayments	30,230	30,230
6. Total other payments	393,439	449,753
7. Balances carried forward	509,391	430,532
8. Total cash and investments	489,292	427,306
9. Total fixed assets and long term assets	2,696,251	3,126,838
10. Total borrowings	183,747	163,347

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2018)*. It is a guide to the accounting practices to be followed by local councils and sets out the appropriate standard of financial reporting to be followed. A copy of the guide is available for free download from:

<http://www.leicestershireandrutlandalc.gov.uk/uploads/governance-and-accountability-for-smaller-authorities-in-england-2019-sections-1-5-1.pdf>