

# Tavistock Town Council

## Financial Year 2019-20



Year End Internal Audit Observations

Visit date: 9 June 2020

**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	It was not possible to agree Year End trial balance to the Annual Return	<i>The draft Accounting Statement numbers reviewed were subject to query by the Internal Auditor as the Box 3 and Box 6 numbers did not appear to agree to the Councils Omega accounting system. The value of the differences were significant. At the request of the Clerk this was discussed with Council accountants who were able to promptly identify and rectify the issue which related in income and costs on the TH1 project.</i>	Council to note.	Low	

**E** Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	The Council does not have in place arrangements for the effective monitoring of amounts due.	<i>Large number of overdue debtors</i>	The Council must put in place arrangements for the effective monitoring of amounts due. This should include specific arrangements in respect of any overdue amounts.	High	

**G** Salaries to employees and allowances to members were paid in accordance with this smaller authority's approvals, and PAYE and NI requirements were properly applied.

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	The Council does not keep a record of members allowances	<i>Council has not published listing of Members Allowances paid in accordance with 2003 Members Allowance Regulation 30. (Note the Council website only listed first page of Scheme - Clerk has advised this to be updated)</i>	The Council must ensure that it maintains a list of members allowances and that these are published in accordance with Members Allowances Regulations 2003 (as amended)	High	

**H** Asset and investments registers were complete and accurate and properly maintained.

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No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	The Council has not reviewed the asset register during the financial year.	<i>The year end asset register prepared by the Councils accountants had not been subject to formal review and approval by Council at the date of the Internal Audit.</i>	Council to formally review and approve the updated asset register and any additions or disposals.	High	

**I** Periodic and year-end bank account reconciliations were properly carried out.

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	A reconciliation was not available for each bank account.	<i>A bank reconciliation had not been prepared for the CCLA account.</i>	The Council must prepare bank reconciliations for all of its accounts. Accounts with a lower frequency of transaction may be reconciled less frequently (perhaps every six months).	High	
2	Bank reconciliation have not been subject to independent review  The Practitioner's Guide 1.10 states "Statements reconciling each of the authority's bank accounts with its accounting records need to be prepared on a regular basis, including at the financial year-end, and reviewed by members of the authority."	<i>The year end bank reconciliation had not yet been signed due to COVID-19</i>	On a regular basis, at least quarterly, bank statements must be subject to formal review. The bank reconciliation statement should be signed and dated and the supporting bank statements initialled as evidence of this review.  On a regular basis reconciliations should be reviewed by Council and signed and dated as evidence of this review.	High	

**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	Physical stock quantities on hand have not been physically verified	<i>It was not possible to undertake the usual Year End stock take with the external stock taker due to COVID-19. The manager has done an internal stock take which was used to compute the closing stock value</i>	Council to note	Medium	