

**INTERNAL AUDIT REPORT
MANLEY PARISH COUNCIL
2018/19**

	ISSUE	RECOMMENDATION	FOLLOW UP
1	<p>The council has disclosed in the Annual Return that it is a sole trustee for a charitable trust. However, no evidence was provided for internal audit to verify that the council has met any of its responsibilities as a sole trustee.</p>	<p><i>The council should provide internal audit with:</i></p> <ul style="list-style-type: none"> - <i>The name of the charitable trust</i> - <i>Evidence that returns to the Charity Commission have been completed accurately and submitted within deadlines.</i> 	
2	<p>The year end bank reconciliation was prepared using the April 1st bank balance. The bank reconciliation should have used the March 31st bank balance of £15488.09 and then disclosed the two unrepresented cheques 0037 £17.81 and 0040 £15.72.</p> <p>NB this does not affect the annual return accounts which would still balance to £15412.56</p>	<p><i>The year end bank reconciliation should always be balanced to the March 31st bank balance</i></p>	
3	<p>No evidence was provided to support any of the receipts in respect of the Manley News</p>	<p><i>Evidence of receipts and a control sheet for Manley News income should be provided for next year's audit to ensure income has been completely and accurately collected and reflected in the accounts</i></p>	

**INTERNAL AUDIT REPORT
MANLEY PARISH COUNCIL
2018/19**

ISSUE	RECOMMENDATION	FOLLOW UP
4 The level of reserves of £15413 carried forward is 358% of the precept level and we could not identify any earmarked reserves disclosed with the accounts	<i>The council should review the level of general reserves and set aside any required earmarked reserves. The level of earmarked and general reserves should be disclosed in the accounts papers.</i>	
5 The fidelity insurance of £12000 does not cover maximum projected cash and bank balances calculated as year end balances (£15434) plus the next precept instalment (estimated as 50% of the precept - £2150) which is £17584	<i>The level of fidelity insurance should be increased to at least £17584. The adequacy of fidelity insurance should be assessed annually as part of the annual risk assessment review</i>	
6 The fixed asset register has been updated as recommended in 2018/19, however, the gifted land has been excluded.	<i>All assets should be recorded in the fixed asset register, including the gifted land</i>	
IMPORTANT GUIDANCE NOTE		
INTERNAL AUDIT CERTIFICATE in the AGAR		
There is a new internal control objective (Objective L) in the 2018/19 internal audit certificate that requires internal audit to conclude on whether the Public Rights Notice during the previous Summer was compliant with the Regulations. This is pre-filled for 2018/19 but in order to test this and conclude YES or NO for the 2019/20 internal audit we would need to receive with the 2019/20 books and records:		
<ul style="list-style-type: none"> - A copy of the completed 2018/19 Notice of Public Rights and Publication of the Unaudited Annual Governance and Accountability Review - A dated photograph showing the first day of the Notice of Public Rights on the noticeboard and/or a dated computer screenshot showing the first date of the Notice of Public Rights on the website for 2018/19 		