



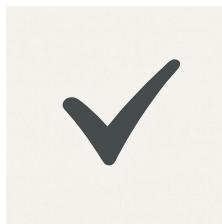
Interim Internal Audit Report

TO THE MEMBERS OF LISKEARD TOWN COUNCIL

YEAR ENDED 31ST MARCH 2026

ISSUE DATE: 28th NOVEMBER 2025

ISSUED TO: STEVE VINSON, TOWN CLERK & YVETTE HAYWARD
RFO



INTRODUCTION:

Internal auditing is an independent, objective assurance activity designed to improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Scope:

The scope of the audit covers, as a minimum, the areas included in the Internal Audit Report contained in the Annual Governance & Accountability Return and the Transparency Code.

Approach:

Audit work is carried out in line with the Chartered Institute of Public Finance and Accountancy's Internal Audit Standards and guidance issued by the National Association of Local Councils.

Where applicable we have included reference to 'proper practice' and the associated guidance as laid out in 'Smaller Authorities Proper Practice Panel' which is applicable to financial years from 1st April 2025.

Selective testing was carried out and the relevant policies, procedures and controls were reviewed.

GENERAL COMMENTS:

We would like to thank the staff of Liskeard Town Council very much for their assistance and co-operation during the audit.

The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

It should be noted that assurance can never be absolute. The most that the internal audit service can provide is a reasonable assurance that there are no major weaknesses in risk management, governance, and control processes. The audit does not guarantee that the accounting records are free from fraud or error.

We have provided, if required, a table of audit recommendations that allow for the Council's response which can be used as an ongoing monitoring tool. We would be grateful if, in due course, it was completed and returned to us.



Previous Recommendations – There were no outstanding recommendations from the former Internal Auditor.

A Appropriate accounting records have been properly kept throughout the financial year.

The accounts are maintained on RBS accounting software; at the time of the audit, they were up to date, in balance and free from material errors.

B This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.

Financial Regulations

Financial Regulations were last reviewed in March 2025.

Purchasing

A scheme of delegation is in place and adhered to. Procurement in year tested was found to be in accordance.

Payments

A sample of payments made in June and July were tested. All were supported by invoices, had been certified by the RFO and authorised by members. Grant payments were supported by the authorised claim forms.

VAT

Within the sample tested VAT had been accurately applied in all instances.

Entry of payments onto the ledger was accurate as was the accounting for VAT.

C This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

Insurance

Statutory insurances are in place with Aviva Insurance and the Internal Crime Cover (Fidelity Guarantee) is adequate at £1,200,000.

Comparison of the Asset Register to the insurance schedule shows no obvious omissions.

Risk Assessment & Internal Controls

The Council reviewed its risk assessment and undertook a review of the effectiveness of its internal controls in April 2025.

Cash

An Investment Strategy covering the 2025/26 year was reviewed in March.

D The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

Budget setting

The 2026/27 budget and precept setting process will be reviewed later in the year.

Budget monitoring

Budget Monitoring reports are taken to, and reviewed at, each Committee and Council meeting.

Adequacy of Reserves

The adequacy of reserves will be tested at Year End.

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

Systems were tested to ensure that suitable controls are in place that all income is received in a timely manner, that charges are correctly applied and that any cash received is promptly receipted and banked.

Precept

The precept received was checked to the records of the Council and the principal authority and found to be in accord.

VAT claims

VAT claims are up to date.

Interest

Interest received on the Council's investments has been accurately reflected in the ledger.

Leased Assets

Shop rents have been invoiced in accordance with the agreements in place, including the new tenancy this year.

Room Hire

An appropriate system is in place and clients are invoiced in a timely manner. Fees are correctly applied and an appropriate system in operation to ensure payment

Allotments

Files are up to date and all invoices correctly charged.

F Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.

Petty cash used is effectively controlled and reconciled.

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.

The October payroll was tested with no issues to report.

Tax, NI & Pension requirements have been met.

The National pay award was accurately calculated and implemented in August 2025.

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

The asset register has been updated to reflect acquisitions and disposals and the total value of assets held is accurately reflected in the AGAR.

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

Monthly bank reconciliations have been undertaken in a timely manner and have been reviewed in accordance with Financial Regulations.

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.

The accounts were produced on an income and expenditure basis and were in accord with underlying records. An audit trail was provided and accompanying information required by the external auditor produced.

K IF the authority certified itself as exempt from a limited assurance review in 2024/25, it met the exemption criteria and correctly declared itself exempt.

NOT APPLICABLE

L The authority published the required information on a free to access website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.

The published requirements of the Council, in respect of the 2024/25 Accounts, were advertised properly and have been met.

M In the year covered by this AGAR, the authority provided for a period for the exercise of public rights as required by the Accounts & Audit Regulations

The AGAR for 2024/25 was properly approved by Council, the requisite Notice was published and the correct number of days for public inspection were allowed

N The authority has complied with the publication requirements for 2024/25 AGAR.

All publication requirements were met.

O Trust funds (including charitable). The council met its responsibilities as trustee.

To be tested at Year End.



JT AUDIT & ACCOUNTANCY