

INTERNAL AUDIT REPORT – LISKEARD TOWN COUNCIL

NOTES TO AUDIT REPORT 2018-19 FINANCIAL YEAR

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

The Council should review debt reporting and action to recover debts with many currently in contravention of normal trading terms. This should assist in ensuring debts do not become unrecoverable. Additionally, the Council granted a loan of £2,000 in March 2010. The agreement confirms the loan is to be repaid within 3 years. The loan is still appearing on the accounts as at 31st March 2019. The Council should investigate if the loan is still outstanding and if so, whether it is recoverable. The year-end financial report generated from sage indicates some debts are 9-12 months old.

Periodic and year end bank account reconciliations properly carried out

At the final date of internal audit the bank/short term investments did not reconcile with the cash book. The unreconciled elements are relatively minor and primarily involve the interest on short term investments. It is understood that the reconciliation should be complete at the time of presentation to Council and subsequently the external audit.

Council has met its responsibilities as a trustee (if applicable)

The Council operates three Trust Funds and whilst nominal statements have been prepared, there is no evidence of accuracy presented at audit for example in the form of reconciled bank statements, current trustees and also bank signatories. It is understood that £500 was authorised to be expended from one Trust Fund but there is no audit trail to reconcile with the prepared statement as to how this has been achieved. It is recommended the operation of the Trust funds should be viewed as priority by Council.