

Internal Audit Report for Outwell Parish Council for the year ended 31st March 2021

Appropriate Books of Account have been kept throughout the year

The accounts for the year were presented including accounting statements as per the Annual Return, Receipts and Payments Summary, Bank reconciliations, explanation of variances, HMRC PAYE information, cheque books and paying in books. The total balances and reserves agreed with the bank reconciliation.

The Cash Book is very clear to read.

Smaller Authority has met with financial regulations, payments supported by invoices, expenditure was approved and VAT appropriately accounted for.

1. A sample check was carried out of invoices and expenditure recording and was found to be appropriately accounted in the minutes and cash book summary.
2. The Accounts are prepared on a receipts and payments basis. Accounting statements agreed with the monthly income and expenditure reports.
3. VAT - This was appropriately accounted.
4. Petty Cash - There is no petty cash system operated.
5. Financial Regulations were reviewed by the Parish Council at the AGM in May 2019 and will be reviewed at the AGM in May 2021.
6. Periodic and year end Bank reconciliations - This is carried out on a monthly and year end basis.

Significant Risks assessed.

1. There was no AGM in May 2020 due to the Covid-19 Pandemic restrictions. As noted above, Financial Regulations have and are to be reviewed by the Parish Council and were available for inspection.
2. Standing Orders for the Council were available and had been reviewed dated May 2019 and are to be reviewed at the AGM in May 2021.
3. The Council has considered the impact of Covid-19 on its ability to carry out its activities and services.
4. The Joint Practitioners Guide 2020, Section 5, gives advice on identifying, addressing, assessing, reporting and reviewing risk and recommends the setting up of a Risk Register that should be reviewed no less than annually.
5. It was also noted the Council has yet to subscribe to the Information Commissioner's Data Controller Register.
6. Insurance is renewed annually in June.

Precept

A budgetary document based on comparison from the previous years' expenditure and income plus anticipated expenditure and income of the current year and anticipated expenditure and income for the Precept year was prepared and used for the consideration of the Precept. The income is derived from the Precept and allotment rents.

The Council monitors the budget on a monthly basis.

Salaries, PAYE & NI

Salary payments were correctly recorded and Bulley Davy Accountants have been instructed by the Council to submit the PAYE & NI online returns to HMRC.

Pensions – The Clerk has previously given notice that she does not wish to be enrolled in a workplace pension scheme. The council has instructed Bulley Davy to ensure that their obligations regarding the workplace pension are met.

Asset and Investment Register

This is completed annually.

Trust Funds

This was not covered by the Internal Auditor. However, the Council manages a Recreation Ground Trust out of which the capital and interest repayments for a Public Works Loan are repaid every six months. There is an agreement with the Village Hall Committee that any shortfall in interest will be made up by funds from the Village Hall Committee. The accounts for the Trust are submitted to the Charity Commission.

Signed.....E Bateman

Date – 6th May 2021