

## **Internal Audit Report for Whessoe Parish Council 2020/21**

*The internal audit took place on the 10<sup>th</sup> May 2021 reviewing the following.*

Financial record keeping systems (including the Rialtas a Business Solutions electronic accounting system) and hard copies.

The relevant financial regulations and all minutes of Parish council and Parish Hall committee meetings 2020/21.

A number of electronic receipts and payment records, including paper receipts/invoices/bank statements and Minutes.

VAT records

Insurance cover and asset valuation

Precept assessment notification letter as recorded in minutes and budget.

Grants file

Physical Assets Register

Salary payments and HMRC PAYE records.

The Draft AGAR for 2020/21 in which the council declared itself exempt from external audit requirement.

**Previous internal audit report:** following previous recommendations, the council obtained written confirmation of no LCTSS included in precepts.

**External Audit recommendations:** section 3 item 2 (other Matters) RFO clerks' relationship to Council Chair. This has been resolved and approved by Whessoe Parish Council with the inclusion of additional controls and the removal of the chair as a signatory to the Bank account.

**Book keeping:** The electronic accounting system allowed easy accurate reconciliation of payments and receipts and was up to date.

**Payroll Controls:** Salary payments are made Quarterly after approval by council and minuted. PAYE/NIC records show these are made in a timely fashion.

**Assets Controls:** Physical asset listing was provided and up to date.(including Website listing) These include the Parish Hall and contents. Insurance cover for all assets meet all requirements. (11-20 Parish Minutes)

**Income Controls:** All payments and Receipts are received by cheque or bank transfer; no cash receipts or payments are made. Only on-line Banking is used with two Councillors required to authorise any transaction. These are the agreed and minuted levels of expenditure allowed without further authorisation from the full council.

**Petty Cash Procedures:** there are no cash transactions, a Debit card is held by the Clerk and used only when authorised by Council, all transactions are recorded with receipts and reconciled with Bank Statements by two councillors.

**Standing Orders and Financial Regulations:** An addendum to standing orders to cover COVID 19 restrictions was implemented to facilitate remote meetings. (12-20 Parish Minutes) Financial record keeping systems and hard copies. The relevant financial regulations and all minutes of Parish council and Parish Hall committee meetings 2020/21 were found to meet the objectives and risks out-lined by Council's objectives.

**Risk Management:** The minutes show the annual risk assessment insurance quotation was approved for assets (11-20 Parish Minutes)

**Bank Reconciliation:** Two councillors carry out Monthly reconciliation with an independent councillor Quarterly Audit which is recorded in Minutes and on receipts and bank statements.

**Year-End Procedures:** Year-end Accounts are produced using RIALTAS electronic accounting system which allows an easy, clear and transparent Audit trail throughout.

**Recommendations:** I recommend the council reviews its parish hall insurance levels taking into considerations it's recent improvements and purchases and also updating its asset listing.



Signed

Date

12/05/2021

Kevin Pearce DEM

£ 11k contents @ hall  
£ 5k away from hall.

Communicated to Kevin  
28/5/21