

Annual Internal Audit Report 2021/22

Combe Hay Parish Council

<https://combehaypc.org.uk/>

During the financial year ended 31 March 2022, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2021/22 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			✓
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.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
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.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2020/21, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2020/21 AGAR tick "not covered")	✓		
L. The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements	✓		
M. The authority, during the previous year (2020-21) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2020/21 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

23/05/2021

Name of person who carried out the internal audit

Kevin Rose - IAC Audit & Consultancy Ltd

Signature of person who carried out the internal audit



Date

10/05/2022

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Combe Hay Parish Council Financial Year 2021-22



Year End Internal Audit Observations

IAC Audit and Consultancy Ltd

Visit date: 19- April -2022

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

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Is Clerk CLCA qualified?	It is understood the Clerk is undertaking the last module shortly and as reported in previous Year End. Due to Covid 19 this was put back.	Council to note	Low	The Clerk's CLCA is OUT OF DATE AS LOCALISM MODULE NOT YET COMPLETED.

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

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	For unregistered bodies - VAT claim made covers most recent accounting year?	It was noted that the Council has not made a VAT claim in respect of the prior financial year.	The Council to ensure that it promptly prepares and submits and VAT claim for the prior year.	High	NOTED THAT VAT CAN BE CLAIMED IF RECEIVED AT LATEST 12 MONTHS, EVEN THOUGH UNDER £100 AT YEAR END

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.

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Salaries paid agree with those approved by the council	It was not possible to agree the actual pay of the Clerk to their contract hours and pay scale	The Council to review the salaries paid and verify whether they are correct.	High	COUNCIL HAS SUPPLIED AUDITOR WITH BASIS ON WHICH SALARY WAS CALCULATED. IN ABSENCE OF FURTHER INFORMATION FROM AUDITOR, IT CANNOT COMMENT FURTHER ON WHAT IT BELIEVES TO BE CORRECT FIGURE.

L If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/ webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	The Council has published the location of public land and building assets in accordance with the requirements of the Transparency Code for Smaller Authorities	The Council has not published the location of public land and building assets in accordance with the requirements of the Transparency Code for Smaller Authorities	The Council MUST publish the location of public land and building assets in accordance with the requirements of the Transparency Code for Smaller Authorities	Non Compliance	NOTED REQUIREMENT TO PUBLISH LAND ASSETS ON WEBSITE IN FUTURE.