

DM PAYROLL SERVICES LTD
INTERNAL AUDIT REPORT
HAVERSHAM-CUM-LITTLE LINFORD
PARISH COUNCIL

Date of Report: 10th June 2021

A. Appropriate books of account

Appropriate books of account have been kept during the year. The council has used a spreadsheet to record the accounts, the books are kept up to date and there is evidence that the accounts are balanced regularly.

B. Financial Regulations

There is an audit trail of most payment samples picked with the exception of the following invoices/expenses:

- Billin – fallen tree assessment £64.50
- Thomas Walker expenses £10.95 (28/4/20) & £91.04 (30/7/20)

All other payments were supported by receipts or invoices and payment schedules were reported to meetings. Cheque stubs were completed as per the payment and initialed by signatories.

VAT was appropriately accounted for and a VAT reclaim was received.

C. Risk Assessments

There is no evidence of the parish council carrying out a risk assessment during the year. The parish council has adopted Standing Orders but this is not a risk assessment.

It is important the parish council does carry out a risk assessment every year, your insurers will also expect to see this. Please see section 5 of the Practitioners' Guide for more information regarding this requirement.

The council's insurance cover includes public liability, employer's liability and fidelity guarantee at an appropriate level. The council's computer is backed up on a memory stick. The data stick should be kept separate from the computer.

D. Precept

The budget and precept were considered and approved by full council. There is evidence that financial monitoring reports of actual income & expenditure compared against the budget were provided to the council.

E. Income

There is income received by cash and cheques. To increase the internal controls, a carbonated, numbered receipt should be issued at the time that the income is received. This will be the source document for the income. If receipts are issued, it is less likely that income will be appropriated.

F. Petty Cash

Petty cash is not used by the council.

G. PAYE

The PAYE is administered by a third party, the clerk was paid as per the approved salary scale. Expenses paid were reasonable, please remember to provide receipts or expense claims in support of expenses and in the case of telephone bills, can the line being reclaimed be highlighted.

H. Assets

The parish council maintains an asset register, please ensure the SIDS have been included on the updated asset register.

I. Bank reconciliations

There is evidence in the minutes that bank reconciliations are presented to the parish council regularly. The year end bank reconciliation can be agreed to the bank statements.

J. Accounting Statements

The parish council prepares the accounting statements on a receipts and payments basis and agree to the cashbook.

K. Exemption

The council met the exemption criteria for the 2019/20 review and correctly declared itself exempt from a limited assurance review.

L. Transparency Code

The council has not published information on the website in accordance with the Transparency code for smaller authorities. I could not find for the 2019/20 financial year, the exemption certificate, the year end bank reconciliation and the explanation of significant variances.

M. Public Rights

I cannot find the notice for the exercise of public rights on the parish council website.

N. Publication Requirements

The council has not complied with the publication requirements for the 2019/20 AGAR, please see my comments for L. Transparency code.

Diane Malley MAAT