

# INTERNAL AUDIT REPORT 2021-2022

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Local Council Audit Services Internal Audit  
Report  
To the Members of St Dennis

Parish Council

Year Ending 31st March 2022

Final issue date: 18/06/22  
Issued To: St Dennis Parish Clerk

## **INTRODUCTION:**

Internal auditing is an independent, objective assurance activity designed to improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

### **Scope:**

The scope of the audit covers, as a minimum, the areas included in the Internal Audit Report contained in the Annual Governance & Accountability Return and the Transparency Code.

An interim audit has not been undertaken and this report covers the activities of the Parish Council during the year.

### **Approach:**

Audit work is carried out in line with the Chartered Institute of Public Finance and Accountancy's Internal Audit Standards and guidance issued by the National Association of Local Councils.

Where applicable I have included reference to 'proper practice' and the associated guidance as laid out in 'Governance & Accountability for Smaller Authorities in England' updated 2021.

Selective testing was conducted, and the relevant policies, procedures and controls were reviewed. No face-to-face meetings were held with inspection of digital documents and inspection of the Parish Website used to reference findings.

## **GENERAL COMMENTS:**

I would like to thank the Parish Clerk for her time and co-operation with this inspection.

The matters raised in this report are only those which came to my attention during my internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

In giving my internal audit opinion, it should be noted that assurance can never be absolute. The most that the internal audit service can provide is a reasonable assurance that there are no major weaknesses in risk management, governance, and control processes. The audit does not guarantee that the accounting records are free from fraud or error.

Not all matters have been assessed and future IA's will test those omitted in 2021/22.

I have provided a table of audit recommendations that allow for the Council's response which can be used as an ongoing monitoring tool, however, there are no audit recommendations for 2021/22 and all matters previously recommended, appear to have been reviewed.



	<p><b>Financial Regulations allow for a Petty Cash Float of £100 (reviewed July 21) and for debit card payments up to £500 in any one transaction. It is recommended that limits are reviewed annually.</b></p>	
	<p><b>VAT:</b></p>	
	<p><b>VAT has been recorded correctly and returns submitted and refund received</b></p>	
<b>Risk</b>		
	<p><b>Risk Assessment:</b></p>	
	<p><b>The Council approved the Risk Management Policy and incorporated Risk Register on the 4th October 2018. The Financial Risk Assessment was reviewed and agreed in June 2021 - F12/21. The Asset Register to the 31st March 2021 was agreed in June 2021 - F11/21.</b></p>	
	<p><b>Insurance:</b></p>	
	<p>Not tested</p>	
	<p><b>Community Assets :</b></p>	
	<p>Not Tested</p>	
<b>Budget</b>		
	<p><b>Setting:</b></p>	
	<p><b>The Council has set a budget for 2021/22 - F43/20 ratified by Council 230/20 and submitted a precept request to the Billing Authority.</b></p>	
	<p><b>Monitoring:</b></p>	
	<p><b>Regular financial reporting forms part of the Council agenda. Forecasting was undertaken during the year at a 3 month interval.</b></p>	
<b>Income</b>		
	<p><b>Income was received in a timely manner and recorded correctly within the accounts.</b></p>	
	<p>The use of system generated invoices could assist with income monitoring, however as the majority of income is burial related and therefore not subject to VAT, the current spreadsheet system of recording is sufficient.</p>	
	<p><b>Precept:</b></p>	
	<p><b>The precept payment received is in accord with that requested from the Billing Authority.</b></p>	
	<p><b>VAT:</b></p>	
	<p><b>VAT reclaims are up to date</b></p>	
	<p><b>Grants:</b></p>	
	<p><b>Grants have been received/paid and recorded within the Council accounts with s137 grants separately recorded.</b></p>	
<b>Payroll</b>		
	<p><b>2021/22 pay award and grade structure:</b></p>	
	<p>The new national pay scales have been accurately implemented and the adjustment to retain the uplift on the minimum wage approved.</p>	
	<p><b>Officers:</b></p>	
	<p>Not tested</p>	
<b>Bank Reconciliations</b>		

	<b>Bank Reconciliations are regularly undertaken and are reviewed and approved by Members when reported to Council.</b>	
<b>Electors Rights</b>		
	<b>The Council has met its obligations under the Accounts and Audit Regulations in respect of the availability of the accounts for public inspection and for the publication of the audited accounts and auditor's report.</b>	
<b>Comments on other matters</b>		
	<b>The Council has met its requirements in complying with both the General Data Protection Regulations (GDPR) with a publish Privacy Policy and also with recommended practices on Accessibility. The clerk is identified as the GDPR officer.</b>	