

REPORT OF THE INTERNAL AUDITOR For YEAR 2021-2022

- i) The Clerk has met with the Internal Auditor Johnny Lill.
 - ii) The first meeting was to brief the auditor as agreed at Council Minute min ref: and to deposit the Bank Statements, Receipts and Payments file, an electronic copy of the Cash Book and Approved Minutes. The auditor examined the relevant materials and tested them against the Council's Internal Audit Plan.
 - iii) The second meeting was to review with the auditor the outcome of his review of materials and to identify any areas which may require attention in the next financial year and to sign off the Internal Auditor's report, ready to submit to Council on 16th May 2022
 - iv) The Internal Auditor's report is attached.
- v) **Plenmeller with Whitfield Parish Council is asked to consider the report, and if acceptable, to receive the report as preparation for the External Audit.**

Plenmeller with Whitfield Parish Council

INTERNAL AUDIT PLAN

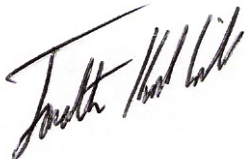
Internal Control	Suggested testing	Response	Comments	Test Date	Examiner
Proper bookkeeping	• Is the cashbook maintained and up to date?	YES	Checked to Bank Statement as at 15-Mar-22.	29-Apr-22	J Lill
	• Is the cashbook arithmetic correct?	YES	Checked all calculations manually.	29-Apr-22	J Lill
	• Is the cashbook regularly balanced?	YES	Have seen regular Bank Reconciliations and the Reports On Financial Matters in the Minutes appear complete.	29-Apr-22	J Lill
Standing Orders and Financial Regulations - adopted and applied?	• Has the council formally adopted standing orders and financial regulations?	YES	Both were adopted on 22-May-19 and reviewed in Council Meeting on 08-Nov-21 [agreed no changes were required].	29-Apr-22	J Lill
	• Has a Responsible finance officer been appointed with specific duties?	YES	Financial Regulations of 22-May19 state that the Clerk has been appointed as the RFO.	29-Apr-22	J Lill
	• Have items or services above the de minimus amount been competitively purchased?	YES	No expenditure over £500 [therefore no need for 3 quotes].	29-Apr-22	J Lill
Payments controls	• Are payments in the cashbook supported by invoices, authorised and minuted?	YES	All payments supported by vouchers. All payments approved in Meeting Minutes except last HSBC £8 bank charges on 08-Mar-22.	29-Apr-22	J Lill
	• Has VAT on payments been identified, recorded and reclaimed?	YES	All VAT has been accounted for. £73.33 was claimed on 15-Feb-22 and received 02-Mar-22.	29-Apr-22	J Lill

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	<ul style="list-style-type: none"> Is s137 expenditure [grants] separately recorded and within statutory limits? 	YES	Grants not separately recorded, but are shown separately in the Cash Book and are lower than the limit. All have been approved.	29-Apr-22	J Lill
Risk management arrangements	<ul style="list-style-type: none"> Does a review of the minutes identify any unusual financial activity? 	NO	No unusual activity evident.	29-Apr-22	J Lill
	<ul style="list-style-type: none"> Do minutes record the council carrying out an annual risk assessment? 	YES	Risk Assessment was reviewed and approved at Council Meeting on 14-Feb-22.	29-Apr-22	J Lill
	<ul style="list-style-type: none"> Is insurance cover appropriate and adequate? 	YES	Changed from Aviva to Zurich from 01-Jun-21. Zurich policy for Y/E 31-May-22 includes Public/Products/Employers Liability [Officials Indemnity covered by Public Liability].	29-Apr-22	J Lill
	<ul style="list-style-type: none"> Are internal financial controls documented and regularly reviewed? 	YES	The Financial Regulations adopted on 22-May-19 and reviewed/approved on 08-Nov-21 specify the responsibilities of the RFO.	29-Apr-22	J Lill
Income Controls	<ul style="list-style-type: none"> Is income properly recorded and promptly banked? 	YES	All income properly recorded and no evidence of any delays in banking.	29-Apr-22	J Lill
	<ul style="list-style-type: none"> Does the precept recorded agree to the Council Tax authority's notification? 	YES	2021/22 Precept of £2,670 agrees to the amount approved at Council Meeting on 20-Jan-21.	29-Apr-22	J Lill
	<ul style="list-style-type: none"> Are security controls over cash and near-cash adequate and effective? 	N/A	Financial Regulations adopted 22-May-19 state that the council will not maintain any Cash Float.	29-Apr-22	J Lill
Payroll Controls	<ul style="list-style-type: none"> Do all employees have contracts of employment with clear terms and conditions? 	YES	Contracts Of Employment for Clerk [S Saunders] started 11-Feb-19 and signed 12-Aug-19.	29-Apr-22	J Lill
	<ul style="list-style-type: none"> Do salaries paid agree with those approved by the council? 	YES	Salary payments all approved during council meetings. Hourly Rates should be in line with the NALC Rates for LC1, but no separate sheet in Cash Book showing calculations and Vouchers in 2021/22 state they are using 2021/21 rates.	29-Apr-22	J Lill
	<ul style="list-style-type: none"> Are other payments to employees reasonable and approved by the council? 	YES	All Allowances paid were supported by receipts and approved during council meetings.	29-Apr-22	J Lill
	<ul style="list-style-type: none"> Have PAYE/NIC been properly operated by the council as an employer? 	YES	No PAYE deductions/payments have been made.	29-Apr-22	J Lill
Assets controls	<ul style="list-style-type: none"> Does the council maintain a register of all material assets owned or in its care? 	YES	No separate Asset Register file, but there is a sheet in the Cash Book file.	29-Apr-22	J Lill
	<ul style="list-style-type: none"> Are the assets and Investments registers up to date? 	YES	Only 1 addition in 2021/22, £14,275 for War Memorial.	29-Apr-22	J Lill

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	<ul style="list-style-type: none"> Do asset insurance valuations agree with those in the asset register? 	YES	Asset Insurance Values in Asset Register agree with the latest policy.	29-Apr-22	J Lill
Bank Reconciliation	<ul style="list-style-type: none"> Is there a bank reconciliation for each account? 	YES	Only one bank account with HSBC.	29-Apr-22	J Lill
	<ul style="list-style-type: none"> Is a bank reconciliation carried out regularly and in a timely fashion? 	YES	Bank Reconciliations are prepared and reported at every Council Meeting. All have been reviewed and signed. All have been checked to Bank Statements.	29-Apr-22	J Lill
	<ul style="list-style-type: none"> Are there any unexplained balancing entries in any reconciliation? 	NO	No unexplained balances.	29-Apr-22	J Lill
	<ul style="list-style-type: none"> Is the value of investments held summarised on the reconciliation? 	N/A	No investments.	29-Apr-22	J Lill
Year-end procedures	<ul style="list-style-type: none"> Are year-end accounts prepared on the correct accounting basis? 	YES	Cash Accounting Basis.	29-Apr-22	J Lill
	<ul style="list-style-type: none"> Do accounts agree with the cashbook? 	YES	Checked Income and Expenditure sheets to the Bank Rec.	29-Apr-22	J Lill
	<ul style="list-style-type: none"> Is there an audit trail from underlying financial records to the accounts? 	YES	Checked Income and Expenditure sheets to the Bank Account cashbook.	29-Apr-22	J Lill
	<ul style="list-style-type: none"> Where appropriate, have debtors and creditors been properly recorded? 	N/A	No debtors or creditors recorded.	29-Apr-22	J Lill

<p>I confirm that I have examined the relevant accounts as presented to me by the Responsible Finance Officer.</p> <p>The accounts are in good order and are managed in a timely and responsible manner. Regular bank reconciliations are presented. They are the Council's best tool to monitor financial management of its accounts. Monthly reports to Council of receipts and payments are in line with legislation. A separate record of s 137 payments is being kept.</p> <p>I hereby state that I am satisfied with Plenmeller With Whitfield Parish Council's conduct of its financial affairs, its accounts procedures and its financial reporting.</p>	<p>Signed:</p> <p>Jonathon Lill</p> 	<p>Date:</p> <p>29-Apr-22</p>
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