

Swannington with Alderford & Little Witchingham Parish Council

Internal audit

<u>Query</u>	<u>Answer</u>
1 VAT reclaim	VAT repayment received in year agrees to 2020 cashbook workings. Not minuted but included in bank rec for 18 November 2020 meeting.
2 Operation of PAYE correct (incl pension contributions)?	Undertaken by accountancy firm and appears to be correct and as expected.
3 Basis for homeworking expenses	£26 per month in line with HMRC tax free allowance from 6 April 2020 and as minuted 8/7/20
4 SLCC sub (33% paid)	On HMRC's list 3 (Clerk can claim balance against income if necessary)
5 Mileage	£45 ppm in line with HMRC authorised mileage rates
6 Bank interest received 07/09/20 not minuted	Immaterial and does not require any action to be taken in order for it to be credited to the relevant bank accounts.
7 Will Council be affected by mandatory Making Tax Digital for VAT from April 2022 when all VAT returns will need to be submitted using MTD compatible software (for periods starting on or after 1 April 2022)? If so, should begin to consider how to comply with MTD.	

Prepared by: S Dack
 Date: 26/04/2021

Annual Internal Audit Report 2020/21

ENTER NAME OF AUTHORITY
SWANNINGTON WITH ALDERBURY & LITTLE WILTON PARISH PC

ENTER CHARITABLE WEBSITE/WEBPAGE ADDRESS
Swannington-news.org

During the financial year ended 31 March 2021, 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 2020/21 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.	N/A	N/A	NO PETTY CASH HELD
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 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")	✓		
L. The authority 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.	✓		
M. The authority, during the previous year (2019-20) 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 2019/20 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

26/04/2021

DD/MM/YYYY

DD/MM/YYYY

Name of person who carried out the internal audit

EN STEVEN DACK INTERNAL AUDITOR

Signature of person who carried out the internal audit

SDack

SIGNATURE REQUIRED

Date

26/04/2021

*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).