

Alan Johnson - Accounting Services

BURSTWICK PARISH COUNCIL

INTERNAL AUDIT REPORT FOR YEAR ENDED 31ST MARCH 2020

TEST	RESULT
<p>A Appropriate books of account have been properly kept throughout the year</p>	<p>All receipts and payments were found to be properly recorded and a balanced set of books provided to audit.</p>
<p>B The Council's Financial Regulations have been met, payments were supported by invoices, expenditure was approved and VAT was properly accounted for</p>	<p>All payments were authorised by the council and cheque counterfoils endorsed by signatories. An effective control mechanism is in place where;</p> <ul style="list-style-type: none"> a. Responsibility for checking of invoices lies with the clerk. b. Expenditure account analysis was clear. c. Payment were authorised by council and payment cheques signed/paid invoices endorsed by two authorised council members. d. VAT was properly accounted for. <p>Internal control was subject to review by council in March 2019 when deemed satisfactory</p>
<p>C The council assessed the significant risks to achieving its objectives and reviewed the adequacy of these.</p>	<ul style="list-style-type: none"> a. The council is expected to have taken steps to identify and mitigate risks associated with users of the Council's services, members of the public or employees. The assessment approved by council and submitted to audit appeared up to date and comprehensive. b Evaluation of Insurance cover confirmed that the council had adequate cover for

	<p>statutory risks.</p> <p>Fidelity Guarantee cover was adequate and cover extended to include members as recommended by the external auditor.</p>
<p>D The Annual Precept requirement resulted from an adequate budgetary process; progress against budget was regularly monitored; and reserves were appropriate.</p>	<p>The council determined the level of precept on the basis of a detailed report prepared and submitted by the clerk.</p> <p>Reserves totalling £21,694 held at 31st March 2020 equate to about 96% of the annual precept and appear adequate having regard to the size and activity of the council.</p>
<p>E Expected Income was fully received, based on correct prices, properly recorded and banked; and VAT was appropriately account for.</p>	<p>Satisfactory checks have been completed in respect of all income received.</p> <p>Checks carried out on the banking process proved satisfactory when all income due to the council was correctly banked with no undue delay.</p> <p>Output tax was not appropriate but the vat recovery process was satisfactory. Reconciliation is included in the working papers.</p> <p>Matters Arising Minor vat adjustment was agreed with the clerk.</p>
<p>F Petty Cash payments were properly supported by receipts, expenditure was approved and VAT accounted for.</p>	<p>All petty cash payments made by credit card were properly supported by receipts and VAT was properly accounted for.</p>

<p>G Salaries to employees and allowances were paid in accordance with council approvals, and PAYE and NI requirements properly applied.</p>	<p>The checks carried out demonstrate that wage and salary payments were properly approved and in accordance with the level determined and authorised by the council.</p>
<p>H Asset and investment registers were complete and accurate and properly carried out.</p>	<p>The asset register submitted to audit was subject to review in the year under review and appeared complete and up to date as at 31st March 2020.</p>
<p>I Periodic and year-end bank account reconciliations were properly carried out.</p>	<p>Reconciliation is carried out periodically and an independent year- end reconciliation accompanies this report. Review established that reconciliation was properly completed and balanced to bank statements.</p>
<p>J Year-end accounts were prepared on the correct accounting basis (receipts & payments/income & expenditure, agreed with the cashbook, were supported by an adequate audit trail from underlying records, and, where appropriate debtors and creditors were properly recorded.</p>	<p>The accounts were accurately prepared on a Receipts & Payment basis and adequate audit trail existed to source documents.</p>
<p>K The council has met its responsibilities as a trustee</p>	<p>The Village Hall accounts have been subject to a satisfactory audit and the council appears to have met its responsibilities for management of the facility.</p>
<p>L Annual Return</p>	<p>The entries in the Annual Return accurately summarise the financial activity of the council for the year under review.</p>

M Council Minutes	The general review of council minutes was satisfactory.
N Audit Independence	The internal auditor has no relationship, financial or otherwise with any member or officer of the council and the audit has been carried out with integrity, objectivity and independence.
O Summary	The accounts of the council continue to be well maintained and I am satisfied that the accounts as submitted free of material error. No matters arose from the audit that need be drawn to the attention of the council at this time.

Alan Johnson CPFA
8th May 2020.