

Audit work completed in the year

Date(s) of visit(s): 4th & 5th February and 22nd April 2021 plus 7 hours Homeworking

| Ref | Control Objective tested | Work undertaken | Result |
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| A | Appropriate Financial records have been properly kept | Accountancy system and financial records noted and documented | Appropriate records are kept |
| B | Financial Regulations have been complied with and payments were supported by invoices, all expenditure was approved and VAT was accounted for | A sample of 60 transactions were examined in detail. Prices and arithmetic, VAT paid, certification, allocation and compliance to Financial Regulations were all checked and payment from the Bank Account vouched. All VAT due was paid to HMRC | <i>See Audit Report</i> |
| C | Significant risks have been assessed and reviewed and there are adequate arrangements in place to manage these | Risk Assessment was reviewed and the Insurance Policy was examined in comparison to current levels of risk and the value of assets | It was agreed with the Clerk that the Insurance Policy is in need of revision with regard to asset values and Fidelity Guarantee levels of cover |
| D | An adequate budget process is in place and the budget is monitored on a regular basis | The frequency of budget monitoring and reporting was examined. Budget variances and the reporting thereof noted | Budget Monitoring and reporting are in accordance with good practice |
| E | The income expected has been collected and is in accordance with the charges set by the Council. VAT on income has been properly accounted for | All income banked was checked to ensure that it was correct per agreed charges and properly posted. All VAT was checked to VAT Account | The expected income was collected and VAT was properly accounted for |
| F | Petty cash payments were properly approved and accounted as was the VAT on such payments. | A sample of 41 Petty Cash reimbursements were examined and all the payments were approved and appropriate and that VAT was being accounted for | Satisfactory |
| G | Salaries and expenses to employees and allowances to members | A sample of 4 months payrolls both pre and post pay rise were tested to see compliance to the authorised | Satisfactory |

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| | were in accordance with approved rates and PAYE and NI requirements were properly applied | establishment and that PAYE and NI were accounted for. Overtime and pension payments | |
| H | Asset and investment registers were complete , accurate and properly maintained | Some asset purchases in the sample at B above were traced into the asset register and accounted for Composite registers were also checked. | Some asset values were adjusted to reflect their actual cost |
| I | Periodic and year end bank account reconciliations were carried out | The frequency and reporting of bank reconciliations was checked and the final bank reconciliation was vouched to prime records | There is a satisfactory frequency and reporting of bank reconciliations |
| J | Accounting statements were prepared on the correct accounting basis and agreed to the cash book. An adequate audit trail exists and debtors and creditors were properly accrued | The Income and Expenditure Account and Balance sheet were examined and reconciled to the cash book. Testing of samples in B above proved the adequacy of the audit trail. Debtors and creditors were properly accrued and posted. | Satisfactory |

Other Work

Preparation of Standing Information on the Council and its organisation, Documentation of systems, reading of, and extraction from, minutes and agendas, posting of totals from the final accounts to the Annual Governance and Accountability Return.

Yours faithfully

J.A.Ainsworth

Internal Auditor