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9th April 2023

Pinvin Parish Council
1a Church Walk
Stourport on Severn
Worcestershire
DY13 0AL

Internal Audit Report

I have now completed the internal audit for Pinvin Parish Council and I would be grateful if you could present this report to the council.

I have carried out tests on the systems in place and have reviewed the internal controls. I confirm I have acted independently; the basis of the internal audit is by selective assessment of compliance with relevant procedures and controls.

A. Appropriate books of account

Appropriate books of account have been kept during the year. The council has used a spreadsheet to record the accounts which is adequate for the number of transactions. The accounts are kept up to date and there is evidence in the minutes they are balanced regularly.

B. Financial Regulations

There is an audit trail of all samples of expenditure picked, payments were supported by receipts or invoices and payment schedules were reported to meetings.

There is evidence on file of quotations being sought for contracts in accordance with the financial regulations.

VAT was appropriately accounted for and VAT has been reclaimed.

C. Risk Assessments

The council carried out a risk assessment during the year which was reviewed at council and minuted.

The council's insurance cover includes public liability, employer's liability and fidelity guarantee.



Registered company number 10880898

D. Precept

The precept was set after the council considered its budget requirements for the year.

There is evidence in the minutes that the council regularly monitors expenditure against the budget at council meetings.

E. Income

There were no unusual receipts during the year. Allotment holders all now pay by internet transfer meaning there are no cash receipts to process. All interest has been included in the cash book.

F. Petty Cash

Petty cash is not used.

G. PAYE

The PAYE is administered using HMRC's basic tools. The pay increase was minuted and there is evidence of the RTI report held on the council records. Please regularly view the p11 report available on the basic tools software, especially when back pay is applied. There was a period where the employer NI was payable and this had been initially missed as it not listed on the basic tools report used in support of the payments to the clerk. The p11 report will include employer NI. Please note that even when the employee reaches state retirement age, the employer still has to pay employer NI if the threshold is reached in any particular pay period.

H. Asset Register

The parish council maintains an asset register which has been reviewed during the year.

I. Bank reconciliations

The bank accounts are reconciled to the cash book regularly and this is evidenced in the minutes. I have recalculated the year end bank reconciliation and agree the figures correspond with the cashbook and bank statement print outs.

J. Accounting Statements

The parish council prepares the accounting statements on a receipts and payment basis and agrees to the cashbook.

K. Exemption

N/a, the council did not declare itself exempt from limited assurance review.

L. Transparency Code

N/a, the council has income exceeding £25,000.

M. Public Rights

The council correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations. The notice is displayed on the parish council website.

N. Publication Requirements

The council has complied with the publication requirements for the 2021/22 AGAR, these documents can be found on the council website,



Diane Malley MAAT

Annual Internal Audit Report 2022/23

Pinvin Parish Council

<https://www.pinvin.org.uk/>

PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2023, 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 2022/23 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. | | | ✓ |
| 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 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered") | | | ✓ |
| L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation. | ✓ | | |
| M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set). | ✓ | | |
| N. The authority has complied with the publication requirements for 2021/22 AGAR (see AGAR Page 1 Guidance Notes). | ✓ | | |

| | | | |
|---|-----|----|----------------|
| O. (For local councils only) | Yes | No | Not applicable |
| Trust funds (including charitable) – The council met its responsibilities as a trustee. | | | ✓ |

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

Name of person who carried out the internal audit

09/04/2023 DD/MM/YYYY DD/MM/YYYY

DIANE OF MALLEY AUDITOR

Signature of person who carried out the internal audit

DIANE MALLEY

Date 09/04/2023

*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).