

Annual Internal Audit Report 2020/21

Great Wryley Parish Council

www.great-wryley-pc.co.uk

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.	✓		
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. If the authority has an annual turnover not exceeding £25,000, it 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

22/06/2021

Name of person who carried out the internal audit

PHILIP A. COOPER

Signature of person who carried out the internal audit

P.A. Cooper

Date

22/06/2021

*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).

Report by Internal Auditor – 22nd June 2021

This report sets out the procedures that I follow in order to complete my duties as Internal Auditor to Great Wyrley Parish Council.

I generally make two visits to the Council Offices in Great Wyrley the first of these would be in the fourth quarter of the year essentially for the purpose of systems testing. This takes the form of the random selection of 12 – 15 invoices paid throughout the year, following each one through from invoice receipt to payment covering all the interim stages of the process i.e. recording in the accounts, accounting for VAT, reporting to full Council for authorisation by Members of the Council including Petty Cash requirements. I also review the process for paying salaries to employees and reporting to HMRC in real time.

A similar process is undertaken in terms of random selection regarding income transactions primarily in on order to ensure that VAT where applicable has been properly accounted for.

I also review the process for carrying out a monthly Bank Reconciliation.

The second visit takes place after the end of the financial year prior to signing the AGAR and covers a review of the Council's Risk Register, the budget report, the Asset Register and a review of the annual accounts.

Philip A. Cooper
22nd June 2021

A handwritten signature in black ink, appearing to read 'P.A. Cooper', with a long, sweeping flourish extending to the right.