



DM PAYROLL SERVICES LTD

7 New Road
Far Forest
Kidderminster
Worcestershire
DY14 9TQ

Tel: 01299 269188
Mobile: 07967 857397
Email: diane@dmpayrollservices.co.uk
www.dmpayrollservices.co.uk

13th June 2022

Charlton Parish Council
56 Malvern Road
Powick
Worcester
WR2 4RT

Internal Audit for Charlton Parish Council

I have now completed the internal audit for Charlton Parish 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. Please present this report to the council.

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, the records are kept up to date and there is evidence they are balanced regularly.

B. Financial Regulations

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

VAT was appropriately accounted for and a VAT reclaim was made during the year.

C. Risk Assessments

The risk assessment was reviewed by the parish council during the year and it was noted that further input is required regarding the assessment of the condition of the trees on the green.

The council's insurance cover includes public liability, employer's liability and fidelity guarantee at a level adequate for the council's needs.

The council uses a memory stick to back up the computer data. Regular back ups need to be taken to preserve the council data should the computer fail. Please store the memory stick in a different part of the house to the computer as added protection.

D. Precept

The precept was set after the council considered its budget requirements for the year. The parish council has considered that its reserves are high and have included this in the budget setting. Reports showing receipts and payments to date are submitted to parish council meetings.

E. Income

The precept received was as per the precept request issued. All interest has been included in the cash book. There was no unusual income received and no cash receipts. The cemetery fees are now due for review.

F. Petty Cash

Petty cash is not used.

G. PAYE

The salary is paid in accordance with the approved rates, the national pay award was reported and implemented in March 2022. The PAYE is administered using HMRC Basic tools. Other expenses paid to the clerk were reasonable and receipted.

H. Asset Register

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

I. Bank reconciliations

The bank accounts are reconciled to the cash book for each meeting. For the 2020/21 financial year there was a 36p discrepancy which has been carried forward to the 2021/22 year. Therefore the opening bank balance is incorrect and needs to be amended to £51,042.48. On the year end bank reconciliation the payments figure needs to be amended to £23,565.67 to match the cashbook. With these minor amendments the bank reconciliation will balance and will be correct.

J. Accounting Statements

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

K. Exemption

The parish council did not declare itself exempt for the 2020/21 financial year.

L. Transparency Code

The council has published information on the website in accordance with the Transparency code for smaller authorities.

M. Public Rights

The council had correctly published on the website a notice providing for the period for the exercise of public rights as required by the Accounts and Audit Regulations for the 2020/21 period.

N. Publication Requirements

The council has complied with the publication requirements for the 2020/21 AGAR, these documents can be found on the council website.

In general, the accounting records are well organised, I would like to thank your clerk, Roger Gurney, for his assistance in the internal audit review and enclose my invoice for your attention.

Yours sincerely

Diane Malley

Diane Malley MAAT