

YEAR END REPORT BY THE INTERNAL AUDITOR – FOR ALSTON MOOR PARISH COUNCIL FINANCIAL YEAR ENDING 31 MARCH 2021

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ANNUAL INTERNAL AUDIT REPORT FOR ALSTON MOOR PARISH COUNCIL FOR THE YEAR ENDED 31ST MARCH 2021

I confirm that I have on the 18th May 2021, undertaken an Internal Audit for the Year ended 31st March 2021 in accordance with the Account and Audit Regulations (England) 2015 as outlined in the Audit Plan approved by Council and incorporating any new requirements as outlined in the NALC "Joint Panel on Accountability and Governance" Practitioners' Guide (England) March 2021.

The Parish Clerk, who is the Reporting Financial Officer (RFO) complied with all statutory duties in providing me with all the documentation I have needed to check in undertaking my Audit. Because of the on-going Covid 19 restrictions most of the documentation I have checked has been electronic and there have been special arrangements in- place for me to collect and then return the paper documentation I needed to check. Reference was also made to the Alston Moor Parish Council Website to confirm compliance with other statutory obligations. This Report complements the half-yearly Audit Report (November 2020) covering 1st April 2020 -31st October 2020.

I have checked through the following areas in my Report, with my findings as follows:

1. Proper Bookkeeping

A clear audit trail exists from all primary accounts, which are produced in Excel. The manual transitions provide a clear audit trail to fulfil the format required by the Account and Audit Regulations. All records are balanced monthly and are accurate. Robust backup procedures exist to safeguard computer records.

2. Budgetary Control

A correct budget process is in place and progress against budget is checked by the Council quarterly. The Accounting method enables immediate identification of monthly and cumulative spends to each budget heading. The Financial reports presented by the Clerk enables the Parish Council to readily address any budget under/overspends and to maintain firm control over the dispensation of Public funds.

3. Parish Council Expenses/ Financial Controls

Parish Council expenditure spending is normally by direct bank-transfer or cheque, which is charged to the Council's bank-account. Details of all expenditure are notified to the Council Members at each monthly Meeting and are recorded in the Minutes. Two Council Members' signatures are required before cheques are dispensed providing an additional safeguard over Public funds. All out-goings are checked regularly and anything unusual is identified and dealt with promptly.

The Financial Controls used by the Clerk and Council Members are robust and fulfil all reporting requirements. There is a clear Audit Trail enabling verification of the accuracy of all documents produced by the Accountant and the Parish Council.

4. Invoice Procedure

A random check was made of invoices paid in the period. All comply with Financial Regulations and adheres to the principle of Best Value.

5. VAT

Vat has been recorded in the Accounts and the correct sum of £995.03 has now been identified and claimed for the 2020-2021 Financial Year.

6. Bank Reconciliation

The main Accounts are reconciled to the bank- statements monthly and these accurately state the Financial Position of the Council. A Council Member validates the information using a signature on the relevant bank statements.

7. General Power of Competence.

Confirmation of the continuing eligibility to use the General Power of Confidence was made at the extraordinary Meeting of the Council held on 19th March 2020. The Clerk has since confirmed that the Parish Council retains the General Power of Competence.

8. Petty Cash

As an added security check, the Parish Council does not keep cash on the Town Hall premises and it has a policy of not making payments in cash.

9. Standing Orders/Financial Regulations/Policy Documents

All statutory regulations and Policy documents were reviewed this year and, as appropriate, undated to include all new legislation.

10. Employee Employment Contracts and Pay

The Parish Clerk is paid in accordance with her appropriate Pay- grade (NALC April 2020 Guidelines), although the Clerk's Contract has not been up-dated since 2019.

11. Payroll Controls

PAYE/ NIC records are undertaken by a local Accountant with many years of experience, these are properly undertaken and kept up to date. All statutory payments to HMRC and to the Clerk's Pension provider have been made. The accuracy of the deductions and payments have been confirmed.

12. Risk Management

New Risk Assessment documents for 2021 have been reviewed and adopted by the Council on 1st March 2021.

13. Register of Interest

Council Members fulfil their obligation to declare any interests as appropriate and update their personal register. All Members' Registers of Interest are listed on the Parish Council Website.

14. Cash Balances at the Bank

The balances at the bank as of 31st March 2021 are considered adequate to enable the Council to meet budgeted projects and retain adequate cash reserves to cover unforeseen circumstances.

15. Income Controls

All income is promptly banked upon receipt. No cash income is accepted.

16. Asset Control

The Asset Register has been updated in June 2020. The total value as of 31st March 2021 is documented in the Annual Governance and Accountability Return (AGAR), but there is a discrepancy of £639 with the total value of Assets as of 31st March 2021 because the Schedule of Assets has not been updated with the cost of the new Nenthead Notice-board purchased in December 2020. All assets are comprehensively covered by the Insurance.

17. Year- end Accounts

Alston Moor Parish Council produces Accounts on the Payments and Receipts Basis as required by the Accounts and Audit Regulations.

18. Parish Council Website/ Transparency Legislation/

The Website ensures the objectives of the Transparency Code are achieved. It fully informs the elector of the prudent spending of Public funds, by publishing all required data.

There were a few broken links on the Website and one of the e-mail addresses of a Member has a spelling mistake. However, the Clerk has been made aware of these issues and is fixing them.

There are seven Policy Documents listed on the Website that do not show that they have been up-dated or reviewed since 2018. As they have been (as recently as 26th October 2020) then the Policy documents published need to be amended to reflect this fact.

Conclusion

I can confirm that Alston Moor Parish Council is fully compliant with all Account and Audit Regulations, Transparency legislation and other legal requirements. The Parish Council has a robust system of accurately recording, checking, and dispensing Public funds. Where matters have been raised in my Reports, these have usually been dealt with quickly by the Clerk (RFO).

In concluding the Annual Internal Audit for 2020-2021 I thank the RFO for providing meticulous records and for going out of her way to provide all the other information, as required, to complete my Audit.

