

## **Internal Audit Report for Nordelph Parish Council for financial year 2021/22**

### **Accounting Procedure for Year.**

The Accounts are prepared on a receipts and payments basis. Totals in the prepared accounts agreed with totals in cash book. The Clerk uses an Excel spreadsheet. It was noted that due to illness of the Trustees of the Village Hall, the finances had been temporarily covered by the Parish Council, resulting in a larger spend and income. However, this is still below the £25K cut off figure.

### **Banking Arrangements, Bank Reconciliation, Payment & Receipts**

Bank accounts are reconciled monthly and at the end of the financial year.

All payments are supported by invoices. Expenditure is approved by the Council at monthly meetings.

All expenditure is minuted as an appendix to the main body of the minutes. VAT on payments has been correctly recorded and reclaimed.

### **Budget & Precept**

Budget procedures are sufficient and the annual precept is agreed by full council. Precept for 2021/22 includes the Council Tax Support grant. An increase for 2021/22 was made to keep in line with increasing costs of energy and services.

### **Book-keeping & minuted records of Expenditure**

A sample examination of the computer spread sheet receipt and payment records show that they are regularly maintained, correct and regularly balanced. Payment records coincide with the minutes of monthly meetings.

### **Petty Cash**

No petty cash system is currently operated.

### **Standing Orders & Financial Regulations**

Standing Orders and Financial Regulations were seen and are appropriate for the needs of the council. The Standing Orders and Financial Regulations are reviewed on an annual basis at the AGM.

### **Risk Management**

The Council has Risk Assessments, adopted with the Financial Regulations, in place. The Risk Assessment is reviewed at the Annual General Meeting. The activities of the council have been consistent.

### **Salaries & HMRC returns**

The salaries and expenses for the employees are paid in accordance with Council approvals. PAYE and NI requirements are correctly applied by the Clerk using HMRC Basic Tools.

### **Income**

The income is from the Parish Precept and cemetery.

The only grant received by the parish council was the Council Tax Support Grant.

### **Asset Controls**

The asset register was updated and completed to year end 31<sup>st</sup> March 2022. The Asset Register is high due to the inclusion of the Village Hall (the Parish Council is Custodian Trustee)

Signed.....Mrs E Bateman

6<sup>th</sup> May 2022