



27th April 2018

Alvechurch Parish Council
Ground Floor
1A George Road
Alvechurch
B48 7PB

Dear Chairman

Internal Audit for Alvechurch Parish Council

I have now completed the internal audit for Alvechurch 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.

A. Appropriate books of account

Appropriate books of account have been kept during the year. The council has used Scribe software, the books are kept up to date and there is evidence in the minutes that the accounts are balanced regularly.

B. Financial Regulations

There is a clear audit trail of all samples picked. Financial Regulations were met, payments were supported by receipts or invoices and payment schedules were reported to meetings.

There was evidence of quotations and tenders for works being compared and options being put to meetings during the procurement process.

VAT was appropriately accounted for and was VAT reclaimed quarterly.

C. Risk Assessments

A separate risk assessment had been carried out during the work specifically for the office and taking into account a lone office working policy and this was minuted. The generic risk assessment was completed during the year. In addition there was a risk assessment in relation to the Christmas lights switch on.

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

A back up of the council's data is automatically carried out daily and stored in the cloud.

D. Precept

The precept was set after the council considered its budget requirements for the year at a full council meeting. The agreed precept amount should be recorded in the minutes.



Financial monitoring reports of actual income and expenditure compared against the budget are provided to committee and council meetings on a regular basis.

E. Income

There were no unusual receipts during the year. Interest has been recorded in the accounting records

The internal controls over the receiving of cash were strengthened during the year by the use of a carbonated receipts book.

F. Petty Cash

Although there is petty cash held on the premises, this is very rarely used. I have carried out a spot check on the petty cash and confirm the full float is present.

G. PAYE

The PAYE is administered correctly using Basic Tools. PAYE and NIC has been calculated correctly and RTI's submitted to HMRC. The P60 agreed with the PAYE records.

Eligible members of staff have been enrolled into a pension scheme. Staff salaries was reported to the council on the payments lists.

H. Asset Register

The parish council maintains an asset register which has been reviewed during the year. The register was updated with new purchases made during the year.

I. Bank reconciliations

The bank accounts are reconciled to the cash book monthly. I have recalculated the year end bank reconciliation and confirm it to be correct.

J. Accounting Statements

The parish council prepares the accounting statements on an Income and Expenditure basis. I have been able to follow the year end adjustments back to the actual receipts and payments.

General

In general, the accounting records are well kept and are of high quality.

I would like to thank your clerk, Tammy Williams, for her assistance in the internal audit review and enclose my invoice for your attention.

Yours sincerely

Diane Malley

Diane Malley MAAT

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