Black Rose Solutions Ltd

Internal Audit - Report

Name of Council

Perton Parish Council

Date of Audit 05/05/2022

Annual Return - Internal Control Objectives

A. Appropriate accounting records have been properly kept throughout the financial year.		YES
		YES
Is the cashbook maintained and up to date?	yes	
Is the cashbook arithmetic correct?	yes	
Is the cashbook regularly balanced?	yes	
Accounts are prepared using the Edge Accounting system.		

B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.		YES
Are payments supported by invoices?	yes	
Is all expenditure approved?	yes	
Is VAT appropriately accounted for?	yes	
Does the Council hold Power of Competence?	yes	
If not, does the council monitor s137 expenditure against limit?	n/a	

C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.		YES
Does a review of the minutes identify any unusual financial activity?	no	
Do minutes record the council carrying out an annual risk assessment?	yes	
Is Insurance cover appropriate and adequate?	yes	
Are internal financial controls documented and regularly reviewed?		
Date of review Financial Regs	10/05/2021	
Date of review Standing Orders	10/05/2021	

D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.		YES
Has the council prepared an annual budget in support of its precept?	yes	
Is actual expenditure against the budget regularly reported to the council?	yes	
Are there any significant unexplained variances from budget?	no	
Are reserves appropriate?	yes	
The council holds £179k of reserves, of which £152k is general/operating. This is approximately 50% of Income	5	

E. Expected income was fully received, based on correct prices, properly recomptly banked; and VAT was appropriately accounted for.	orded and	YES
Is income properly recorded and promptly banked?	yes	
Does the precept recorded agree to the Council Tax authority's notification?	yes	
Are security controls over cash and near-cash adequate and effective?	yes	
Is the council VAT registered?	no	
Are returns submitted in a timely manner.	yes	
Is VAT reclaimed on exempt business activities reviewed and considered insignificant?	yes	
Are receipts for business activities within the registration threshold?	yes	

F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.		YES
Is all petty cash spent recorded and supported by VAT invoices/receipts?	yes	
Is petty cash expenditure reported to each council meeting?	yes	
Is petty cash reimbursement carried out regularly?	yes	

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.		YES
Do all employees have contracts or employment with clear terms and conditions?	yes	
Do salaries paid agree with those approved by the council?	yes	
Are other payments to employees reasonable and approved by the council?	yes	
Have PAYE/NIC been properly operated by the council as an employer?	yes	
Does line 4 include only Salary, NI & Pension	yes	

H. Asset and investments registers were complete and accurate and properly maintained.		YES
Does the council maintain a register of all material assets owned or in its care? Are the assets and investments registers up to date? Do asset insurance valuations agree with those in the asset register?	yes yes yes	

I. Periodic and year-end bank account reconciliations were properly carried out.		YES
Is there a bank reconciliation for each account?	yes	
Is a bank reconciliation carried out regularly and in a timely fashion and	yes	
Are there any unexplained balancing entries in any reconciliation?	no	
Is the value of investments held summarised on the reconciliation?	n/a	

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.		YES
Are year end accounts prepared on the correct accounting basis (receipts Are debtors and creditors properly recorded? Do accounts agree with the cashbook? Is there an audit trail from underlying financial records to the accounts?	I&E no* yes yes	
Debtors have been recorded correctly, but there are few payments in advance (bookings and deposits for 22/23 year) that had been missed. The council should ensure that these, as well as any creditors and accruals are correctly recorded in the future.		R

K. If the authority certified itself as exempt from a limited assurance review, it met the exemption criteria and correctly certified itself exempt	N/a

L. The authority publishes information on a website/webpage up to date the internal audit in accordance with any relevant Transparency Code req		YES
Transparency Code for Larger Authorities (income/expenditure >£200k)		
Quarterly:-		
All items of expenditure above £500	yes	
Government Procurement Card transactions	n/a	
Procurement information (initiations to tender > £5k)	yes	
Annually:-		
local authority land	yes	
social housing assets	n/a	
grants to voluntary, community and social enterprise organisations	yes	
organisation chart	yes	
trade union facility time	n/a	
parking account	n/a	
parking spaces	n/a	
senior salaries (>£50k)	n/a	
constitution	yes	
social housing fraud	n/a	
One off:-		
Waste contracts	n/a	

M. The authority has demonstrated that during summer 2021 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations. (Evidenced by website or minutes)		YES
Date from	16/06/2021	
Date to	27/07/2021	
N. The authority has complied with the publication requirements for 2020/21 AGAR.		YES
Notice of Period for Exercise of Electors Rights	yes	
Section 1 Annual Governance Statement	yes	
Section 2 Accounting Statements	yes	
Notice of Conclusion of Audit	yes	
Section 3 External Audit Report & Certificate	yes	
Sections 1 & 2 of AGAR	yes	
Internal Audit Report	yes	
O. Trust funds (including charitable) – The council met its respons	sibilities as a trustee.	N/a