

The Lee Parish Council

Financial Year 2021-22



IAC Audit and Consultancy Ltd

Audit date: 23- May -2022

Year End Internal Audit Observations

A Appropriate accounting records have been properly kept throughout the financial year.

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Have Minutes been signed in accordance with the requirements of Schedule 12-paragraph 41 (2) the Local Government Act 1972 (this requires each page to be initialled and the final page signed)	<i>It was noted that a number of Minutes had not been signed in accordance with the requirements of the Local Government Act 1972. The following Minutes were not dated on the last page: 11th May 2021, 22nd July 2021, 5th November 2021 and 11th January 2022.</i>	The Council to ensure that Minutes of meetings are signed in accordance with the legislative requirements. In particular Minutes of meetings should be initialled on each page and signed and dated on the final page.	High	Dates were missing on some minutes but the minutes were reviewed and correctly minuted as approved at the meetings.

B This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Is Clerk CILCA qualified?	<i>The Clerk is not CILCA qualified.</i>	The Council should consider whether the Clerk should be CILCA qualified.	Medium	TLPC has considered this matter and determined that it is not essential for this parish.
2	Have payments been approved as required under Council Financial Regulations?	<i>It was not possible to check the cheque stubs were signed as required under the Councils Financial Regulation 6.5.</i>	Council to note.	Low	Can supply cheque stub if required. Most payments made online.

C This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	The council has reviewed its insurance requirements	<i>From a review of Minutes it was not possible to verify that the Council has reviewed its insurance requirements during the year</i>	Council to regularly review and update its insurance requirements	Medium	Insurance was reviewed at the Finance Group meeting which met in May 2021, and discussed further at the full Council meeting in July 2021 (see minutes item 9.8)
1	Salaries paid agree with those approved by the council	<i>It was not possible to agree the Clerks actual pay to a contractual document. It is unclear if all changes in the Clerks pay have been formally confirmed in writing.</i>	The Council to review and confirm the rate of pay (and monthly amount) due to the Clerk. The Council to ensure that all changes to the Clerks terms and conditions, including changes in rates of pay and hour of work, are formally confirmed in writing to the Clerk by letter signed by Chair of the Council.	High	This was done via email. A formal letter will be posted in future.
2	Deductions have been properly paid over to HMRC	<i>Deductions have not been properly paid over to HMRC. Late payment notice received from HMRC in November 21.</i>	Council to to review its payment of PAYE/NI to HMRC and make any overdue payments. In future the Council to ensure that it makes such payments promptly when they fall due.	Medium	Agreed - one HMRC payment was late which was partly due to the change from chequebook payments to online payments and also a change from HSBC to Unity Bank.

H Asset and investments registers were complete and accurate and properly maintained.

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Continuing existence of assets is checked on a regular basis (when was last check?)	<i>Continuing existence of assets is not checked on a regular basis.</i>	The Council should put in place a process for the regular review and verification of its assets. Assets of a high value or which may be particularly vulnerable should be subject to verification at more frequent intervals.	Medium	Disagree - the asset register is reviewed on an annual basis and is noted as being unanimously approved at Minute 9.8 on the 22nd July 2021. Assets are physically checked and status reports given regularly at meetings of the parish council.

I Periodic bank account reconciliations were properly carried out during the year.

No.	Audit Test	Observation	Recommendation	Priority	Comments
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1	Bank reconciliations have been signed and dated as evidence of independent review (Year End)	<i>As at the date of the Internal Audit the year end bank reconciliation had not been signed and dated as evidence of independent review.</i>	Prior to the approval of the Accounting Statements the year end bank reconciliation to be signed and dated as evidence of independent review.	Medium	Disagree in part - this was provided as part of the document pack and was signed, although not dated. It was minuted as approved at the May 2022 meeting
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