DM PAYROLL SERVICES LTD

7 New Road
Far Forest
Kidderminster
Worcestershire
DY14 9TQ

Tel: 01299 269188
Mobile: 07967 857397
Email: diane@dmpayrollservices.co.uk
www.dmpayrollservices.co.uk

6th April 2020

Stoke Bliss Parish Council
1a Church Walk
Stourport on Severn
Worcesterhsire
DY13 0AL

Dear Chairman

Internal Audit Report

I have now completed the internal audit for Stoke Bliss 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 a spreadsheet to record the accounts which is adequate for the number of transactions. The accounts are kept up to date and there is evidence in the minutes they are balanced regularly.

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

The financial regulations state that any payments must be made by cheque and therefore the council need to carry out an update and review of the financial regulations to allow the use of internet banking.

VAT was appropriately accounted and a reclaim was made at the year end.

C. Risk Assessments
The council carried out a risk assessment during the year, the risk assessment covers insured activities. Consideration should be given to including other areas of risk including governance, record keeping and staffing matters.

Annual Internal Audit Report 2019/20

STOKE BLISS, KYRE AND BOCKLETON PARISH COUNCIL

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation **during** the financial year ended 31 March 2020.

The internal audit for 2019/20 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			✓
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.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
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.	✓		
K. **If** the authority certified itself as exempt from a limited assurance review in 2018/19, it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2018/19 AGAR tick "not covered")*	✓		
L. The authority has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.	✓		

M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken: 05/04/20 06/04/20 DD/MM/YYYY

Name of person who carried out the internal audit: Diane Malley ENTER NAME OF INTERNAL AUDITOR

Signature of person who carried out the internal audit: Diane Malley SIGNATURE REQUIRED

Date: 06/04/20 DD/MM/YYYY

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).