**Minety Parish Council – Internal Audit**

**Financial year 2021/2022 - Year Ending 31 March 2022.**

 **Areas covered:**

Financial Records:

* Reviewed all bank transactions and reconciled to Cash book spreadsheet ‘Minety PC^J Accounts Receipts^Pymts 2021-22 for clients’.
* Reviewed the fixed asset statement and there were some differences to that contained in the Cashbook spreadsheet, on enquiry, Cashbook spreadsheet was not up to date. This has now been updated so that the Cashbook and Fixed Asset statement match.
* Bank reconciliations for the two Minety Parish Council bank accounts had been carried out and were correct.
* Note; there is a third bank account, which does not form part of Minety Parish Council accounts. This is a separate charity account entitled ‘The Minety 1796 Charitable Foundation’ and has a Charity Commission number 226293. The only Trustee of this account is Minety Parish Council. The credit balance on this account stood at £2,372.27 at the end of the financial year
* Budget for the year 2021/22 including the precept was set and agreed in the minutes of the meeting dated 8 December 2020. It is identical to the one for the year 2020/2021.
* A Treasurers report was produced for the council meetings properly reporting amounts received/incurred compared to the budget. These were uploaded to the website until August 2021. Reports should be uploaded on a monthly basis when available. ACTION NEEDED
* VAT was correctly listed in the cashbook but has not been reclaimed yet. Noted that one item of VAT of £41.22 on the purchase of road signs for the council on 17 January 2022 is unlikely to be reclaimable, as it was incurred by a councillor and then reclaimed from the Council.
ACTION NEEDED
* Salaries of the Clerk were paid and approved, and PAYE and NI were deducted as needed.
* There is no petty cash held by the Council.

Minutes:

Reviewed and checked minutes for all the meetings during the year. Noting that:

* Accounting records and files have been made available to the public. Minutes are published on the website.
* Payments from the bank accounts were approved and minuted in April 2021 – May 2021 and in July 2021 to September 2021. However, no payments were minuted as approved during June 2021 and between October 2021 to February 2022. This should be addressed going forward.
ACTION NEEDED
* Expected precept receipts were recorded and received.
* So far as could be ascertained from the minutes the Standing Orders and Policies had been followed.
* So far as could be determined from the minutes the council had assessed the risks of achieving its objectives and were managing them, this was confirmed in the Governance Statement.
* Insurance was properly approved and is in place.
* Governance Statement by the Councillors was approved in the minutes dated 18 May 2021.

**Annual Governance and Accountability Review process**

I understand that this form must be published on the MPC website every year, together with:-
- Analysis of Variances,
- Bank Reconciliation
- Notice of the period for the exercise of public rights and other information..

In reviewing the financial statements, I haven’t seen an Analysis of Variances that compares 2021/22 financial results to 2020/21. This is relatively simple to complete. ACTION NEEDED.

Tony Moore FCCA (retired)
21 February 2023.