

Deddington Parish Council

Financial Year 2021-22



IAC Audit and Consultancy Ltd

Visit date: 30-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)	It was noted that a number of Minutes had not been signed in accordance with the requirements of the Local Government Act 1972. The 21st July 2021 Minutes have been dated on the last page.	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	

D The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	The Minutes of the meeting of Full Council, in which the precept was set, clearly states the value of the precept to be raised	The Minutes of the meeting in which the precept was set, do not state the value of the precept to be raised.	In future the Council should ensure that the value of the Precept to be raised is clearly recorded in the Minutes of the meeting in which the Precept is set. The Council to formally confirm the value of the precept raised for the year.	High	
2	Regular budget reports have been presented to council and there is evidence that corrective actions have been taken as a result of review	From a review of Minutes it was not possible to verify that the Council has regularly reviewed progress against budget.	The Council should ensure that progress against budget is subject to regular review during the year, either through meetings of Full Council or a nominated Committee.	High	

E Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Invoices / Charges levied agree to approved rate of Fees and Charges	From a review of actual charges levied it was not possible to agree the charges levied to the Council's approved schedule of fees. The Clerk has informed us that the cemetery invoices make up part of the exclusive rights of burial and therefore she would not be comfortable to giving us access to these legal documents.	The Council should review the charges levied and verify that that they are correct.	Medium	

2	For unregistered bodies - VAT claim made covers most recent accounting year?	It was noted that the Council has not made a VAT claim in respect of the prior financial year. The value of unclaimed VAT outstanding as at 31st March 22 was £12,268.	The Council to ensure that it promptly prepares and submits and VAT claim for the prior year.	High	
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H Asset and investments registers were complete and accurate and properly maintained.

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Total of Asset Register agrees to Box 9 value of Accounting Statements	It was not possible to agree the Asset Register to the value stated in Box 9 of the Accounting Statements	Council to review the value stated in Box 9 and ensure that it agrees to the total value stated on the Asset Register.	High	

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

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	There a bank reconciliation for each account (Year End)	The practice at the Council is for bank reconciliations prepared to include only those balances held in bank accounts and not funds held in the form of one year bonds.	The Council to note that its cash and bank balances includes all the funds it holds whether in the form of bank account balances or one year bonds. Council to consider amending the reconciliation format so that all of the Council balances are included.	High	
2	Bank statements are available to for all bank accounts as at 31st March.	The Council holds a significant proportion of its bank balances in the form of one year bonds which have taken out at various times during the year. Confirmations of the balance held with these bonds was not available as at the 31st March 2022. Documents confirming the establishment of the bonds was provided.	Council to note that the Internal Auditor was unable to verify that the funds held as bonds were still held as at the 31st March 2022.	High	

N The authority has complied with the publication requirements for 2020/21 AGAR (see AGAR Page 1 Guidance Notes).

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	The Council has published the Notice of Conclusion of Audit on its website in accordance with the requirements of Regulation 16 of the Accounts and Audit Regulations	The Council has not published the Notice of Conclusion of Audit on its website in accordance with the requirements of Regulation 16 of the Accounts and Audit Regulations	The Council MUST publish the Notice of Conclusion of Audit on its website in accordance with the requirements of Regulation 16 of the Accounts and Audit Regulations	High	

The Clerk
Deddington Parish Council
Windmill Centre
Hempton Road
Deddington
Oxfordshire
OX15 0QH

12-Jun-22

Explanation of "Not Covered" responses

Further to our Internal Audit of your Council for the financial year 2021/22, I am pleased to submit the signed Internal Report for your Annual Return. We have completed our work and I can confirm that we have not given a Negative response for any of the Internal Control Objectives.

You will note that we have given 'Not Covered' responses in respect of Control Objectives F, K, L and O and we are required to explain why we have done this.

- *The reason for the Not Covered response for Objective F is that we understand that your Council does not maintain a Petty Cash.*
- *The reason for the "Not Covered" response for Objective K is that it is not applicable to your Council as the Council did not certify itself exempt from limited assurance review in 2020/21.*
- *The reason for the Not Covered response for Objective L is that it is not applicable to your Council as your 'annual turnover' exceeds £25,000.*
- *The reason for the Not Covered response for Objective O as it is our understanding that the Council does not act as Trustee.*

The External Auditor may query why we have responded 'Not Covered' and, if so, you should provide them with a copy of this letter.

Yours sincerely,



Kevin Rose ACMA
Director

Deddington Parish Council

Internal Audit Detailed Analysis 2021-22

Year End Audit Date

30/05/2022



Internal Control Objective	Non - Compliance	Negative Analysis			Advisory	Positive	Responses						
		High	Medium	Low			Negative	N/A	Not Checked	Recommendations			
A													
Appropriate accounting records have been properly kept throughout the financial year.	0	1	0	0	0	2	1	0	2	1	0	2	1
Accounting system	0	0	0	0	0	1	0	0	1	0	0	1	0
Record keeping	0	0	0	0	0	1	0	0	1	0	0	1	0
Minutes	0	1	0	0	0	0	1	0	0	1	0	0	1
Other	0	0	0	0	0	0	0	0	0	0	0	0	0
B													
This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	0	0	0	0	0	31	0	0	5	2	0	0	0
Financial Regulations & Standing Orders	0	0	0	0	0	10	0	0	0	0	0	0	0
RFO	0	0	0	0	0	4	0	0	0	0	0	0	0
Powers	0	0	0	0	0	0	0	0	2	0	0	0	0
Payment Controls	0	0	0	0	0	7	0	0	1	0	0	0	0
Expenditure Controls	0	0	0	0	0	1	0	0	2	0	0	0	0
VAT Compliance	0	0	0	0	0	2	0	0	0	0	0	0	0
Credit/Debit Cards	0	0	0	0	0	3	0	0	0	0	0	0	0
Tenders	0	0	0	0	0	1	0	0	0	2	0	0	0
Grants	0	0	0	0	0	3	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0
C													
This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	0	0	0	0	0	9	0	0	2	0	0	0	0
Risk	0	0	0	0	0	3	0	0	1	0	0	0	0
Minutes	0	0	0	0	0	1	0	0	1	0	0	0	0
Insurance	0	0	0	0	0	3	0	0	0	0	0	0	0
Internal Controls	0	0	0	0	0	2	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0
D													
The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	0	2	0	0	0	6	2	2	2	5	2	2	2
Budget & Precept setting	0	1	0	0	0	4	1	1	1	0	0	1	1
Auditors Reports	0	0	0	0	0	2	0	0	1	0	0	0	0
Accounting Statements	0	0	0	0	0	0	0	0	0	2	0	0	0
Budget monitoring	0	1	0	0	0	0	1	0	0	0	1	0	1
Reserves	0	0	0	0	0	0	0	0	0	3	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0
E													
Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	0	1	2	0	0	14	3	6	0	0	2	0	2
Investments	0	0	0	0	0	4	0	0	0	0	0	0	0
Fees & Charges	0	0	1	0	0	2	1	0	0	0	1	0	1
Leases	0	0	0	0	0	0	0	2	0	0	0	0	0
Debt control	0	0	0	0	0	0	0	1	0	0	0	0	0

	Billing & Collection	0	0	1	0	0	0	0	0	3	1	0	0	0
	Precept	0	0	0	0	0	0	0	0	1	0	0	0	0
	Cash Income	0	0	0	0	0	0	0	0	0	0	3	0	0
	VAT Compliance	0	1	0	0	0	0	0	0	4	1	0	0	1
	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	0	0	0	0	0	0	0	0	0	0	9	0	0
	Accounting	0	0	0	0	0	0	0	0	0	0	3	0	0
	Payment controls	0	0	0	0	0	0	0	0	0	0	3	0	0
	Reimbursement	0	0	0	0	0	0	0	0	0	0	2	0	0
	Reporting	0	0	0	0	0	0	0	0	0	0	1	0	0
	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
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.	0	0	0	0	0	0	0	0	11	0	10	2	0
	Contracts	0	0	0	0	0	0	0	0	3	0	0	0	0
	PAYE	0	0	0	0	0	0	0	0	3	0	1	0	0
	Deductions	0	0	0	0	0	0	0	0	1	0	0	0	0
	Pension	0	0	0	0	0	0	0	0	0	0	2	0	0
	Members Allowances	0	0	0	0	0	0	0	0	0	0	6	0	0
	Accounting	0	0	0	0	0	0	0	0	0	0	0	2	0
	Changes to terms and conditions	0	0	0	0	0	0	0	0	1	0	0	0	0
	Payroll Approval	0	0	0	0	0	0	0	0	1	0	1	0	0
	Overtime	0	0	0	0	0	0	0	0	2	0	0	0	0
	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
H	Asset and Investments registers were complete and accurate and properly maintained.	0	1	0	0	0	0	0	0	7	1	2	0	1
	Asset Register	0	0	0	0	0	0	0	0	2	0	0	0	0
	Additions & Disposals	0	0	0	0	0	0	0	0	2	0	1	0	0
	Verification	0	0	0	0	0	0	0	0	1	0	0	0	0
	Accounting	0	1	0	0	0	0	0	0	0	1	0	0	1
	Investments & Loans	0	0	0	0	0	0	0	0	2	0	1	0	0
	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
I	Periodic bank account reconciliations were properly carried out during the year.	0	2	0	0	0	0	0	0	3	2	10	1	2
	Preparation	0	1	0	0	0	0	0	0	0	1	3	0	1
	Review	0	0	0	0	0	0	0	0	2	0	3	0	0
	Cash balances	0	0	0	0	0	0	0	0	0	0	4	0	0
	Accounting	0	1	0	0	0	0	0	0	1	1	0	1	1
	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
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.	0	0	0	0	0	0	0	0	5	0	4	0	0
	Accounting basis	0	0	0	0	0	0	0	0	0	0	1	0	0
	Prior year	0	0	0	0	0	0	0	0	1	0	0	0	0
	Current Year	0	0	0	0	0	0	0	0	1	0	0	0	0
	Creditors	0	0	0	0	0	0	0	0	1	0	0	0	0
	Accounting Statements	0	0	0	0	0	0	0	0	1	0	1	0	0
	Stocks	0	0	0	0	0	0	0	0	0	0	1	0	0

Deddington Parish Council

Internal Audit Summary 2021-22

Year End Audit Date 30/05/2022



Internal Control Objective	Non-Compliance				Negative Analysis				Responses			
	High	Medium	Low	Advisory	Positive	Negative	N/A	Not Checked	Recommendations			
A <i>Appropriate accounting records have been properly kept throughout the financial year.</i>	0	1	0	0	2	1	0	2	1			
B <i>This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.</i>	0	0	0	0	31	0	5	2	0			
C <i>This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</i>	0	0	0	0	9	0	2	0	0			
D <i>The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.</i>	0	2	0	0	6	2	2	5	2			
E <i>Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.</i>	0	1	2	0	14	3	6	0	2			
F <i>Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.</i>	0	0	0	0	0	0	9	0	0			
G <i>Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.</i>	0	0	0	0	11	0	10	2	0			
H <i>Asset and investments registers were complete and accurate and properly maintained.</i>	0	1	0	0	7	1	2	0	1			
I <i>Periodic bank account reconciliations were properly carried out during the year.</i>	0	2	0	0	3	2	10	1	2			
J <i>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.</i>	0	0	0	0	5	0	4	0	0			
K <i>If the authority certified itself as exempt from a limited assurance review in 2020/21, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2020/21 AGAR tick "not covered")</i>	0	0	0	0	0	0	3	0	0			
L <i>If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/ webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.</i>	0	0	0	0	0	0	7	0	0			

2021-22 Deddington Parish Council Internal Audit

Internal Control Objective	Non - Compliance	Negative Analysis			Responses			Not Checked	Recommendations
		High	Medium	Low	Advisory	Positive	Negative		
M <i>The authority, during the previous year (2020-21) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).</i>	0	0	0	0	0	5	0	0	0
N <i>The authority has complied with the publication requirements for 2020/21 AGAR (see AGAR Page 1 Guidance Notes).</i>	0	1	0	0	0	6	1	1	1
O <i>(For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee</i>	0	0	0	0	0	0	0	5	0

Total 0 8 2 0 0 99 10 66 12 9

Deddington Parish Council

Internal Audit Detailed Analysis 2021-22

Year End Audit Date

30/05/2022



Internal Control Objective	Negative Analysis				Responses			Recommendations				
	Non-Compliance	High	Medium	Low	Advisory	Positive	Negative		N/A	Not Checked		
A												
Appropriate accounting records have been properly kept throughout the financial year.	0	1	0	0	0	2	1	0	2	1		
Accounting system	0	0	0	0	0	1	0	0	1	0		
Record keeping	0	0	0	0	0	1	0	0	1	0		
Minutes	0	1	0	0	0	0	1	0	0	0		
Other	0	0	0	0	0	0	0	0	0	0		
B												
This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	0	0	0	0	0	31	0	5	2	0		
Financial Regulations & Standing Orders	0	0	0	0	0	10	0	0	0	0		
RFO	0	0	0	0	0	4	0	0	0	0		
Powers	0	0	0	0	0	0	0	2	0	0		
Payment Controls	0	0	0	0	0	7	0	1	0	0		
Expenditure Controls	0	0	0	0	0	1	0	2	0	0		
VAT Compliance	0	0	0	0	0	2	0	0	0	0		
Credit/Debit Cards	0	0	0	0	0	3	0	0	0	0		
Tenders	0	0	0	0	0	1	0	0	2	0		
Grants	0	0	0	0	0	3	0	0	0	0		
Other	0	0	0	0	0	0	0	0	0	0		
C												
This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	0	0	0	0	0	9	0	2	0	0		
Risk	0	0	0	0	0	3	0	1	0	0		
Minutes	0	0	0	0	0	1	0	1	0	0		
Insurance	0	0	0	0	0	3	0	0	0	0		
Internal Controls	0	0	0	0	0	2	0	0	0	0		
Other	0	0	0	0	0	0	0	0	0	0		
D												
The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	0	2	0	0	0	6	2	2	5	2		
Budget & Precept setting	0	1	0	0	0	4	1	1	0	1		
Auditors Reports	0	0	0	0	0	2	0	1	0	0		
Accounting Statements	0	0	0	0	0	0	0	0	2	0		
Budget monitoring	0	1	0	0	0	0	1	0	0	1		
Reserves	0	0	0	0	0	0	0	0	3	0		
Other	0	0	0	0	0	0	0	0	0	0		
E												
Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	0	1	2	0	0	14	3	6	0	2		
Investments	0	0	0	0	0	4	0	0	0	0		
Fees & Charges	0	0	1	0	0	2	1	0	0	1		
Leases	0	0	0	0	0	0	0	2	0	0		
Debt control	0	0	0	0	0	0	0	1	0	0		

2021-22 Deddington Parish Council Internal Audit

	Billing & Collection	0	0	1	0	0	0	0	0	3	1	0	0	0	0
	Precept	0	0	0	0	0	0	0	0	1	0	0	0	0	0
	Cash Income	0	0	0	0	0	0	0	0	0	0	3	0	0	0
	VAT Compliance	0	1	0	0	0	0	0	0	4	1	0	0	1	0
	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	0	0	0	0	0	0	0	0	0	0	9	0	0	0
	Accounting	0	0	0	0	0	0	0	0	0	0	3	0	0	0
	Payment controls	0	0	0	0	0	0	0	0	0	0	3	0	0	0
	Reimbursement	0	0	0	0	0	0	0	0	0	0	2	0	0	0
	Reporting	0	0	0	0	0	0	0	0	0	0	1	0	0	0
	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
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.	0	0	0	0	0	0	0	0	11	0	10	2	0	0
	Contracts	0	0	0	0	0	0	0	0	3	0	0	0	0	0
	PAYE	0	0	0	0	0	0	0	0	3	0	1	0	0	0
	Deductions	0	0	0	0	0	0	0	0	1	0	0	0	0	0
	Pension	0	0	0	0	0	0	0	0	0	0	2	0	0	0
	Members Allowances	0	0	0	0	0	0	0	0	0	0	6	0	0	0
	Accounting	0	0	0	0	0	0	0	0	0	0	0	2	0	0
	Changes to terms and conditions	0	0	0	0	0	0	0	0	1	0	0	0	0	0
	Payroll Approval	0	0	0	0	0	0	0	0	1	0	1	0	0	0
	Overtime	0	0	0	0	0	0	0	0	2	0	0	0	0	0
	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
H	Asset and investments registers were complete and accurate and properly maintained.	0	1	0	0	0	0	0	0	7	1	2	0	1	0
	Asset Register	0	0	0	0	0	0	0	0	2	0	0	0	0	0
	Additions & Disposals	0	0	0	0	0	0	0	0	2	0	1	0	0	0
	Verification	0	0	0	0	0	0	0	0	1	0	0	0	0	0
	Accounting	0	1	0	0	0	0	0	0	0	1	0	0	1	0
	Investments & Loans	0	0	0	0	0	0	0	0	2	0	1	0	0	0
	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
I	Periodic bank account reconciliations were properly carried out during the year.	0	2	0	0	0	0	0	0	3	2	10	1	2	0
	Preparation	0	1	0	0	0	0	0	0	0	1	3	0	1	0
	Review	0	0	0	0	0	0	0	0	2	0	3	0	0	0
	Cash balances	0	0	0	0	0	0	0	0	0	0	4	0	0	0
	Accounting	0	1	0	0	0	0	0	0	1	1	0	1	1	0
	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
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.	0	0	0	0	0	0	0	0	0	0	8	1	0	0
	Accounting basis	0	0	0	0	0	0	0	0	0	0	1	0	0	0
	Prior Year	0	0	0	0	0	0	0	0	0	0	1	0	0	0
	Current Year	0	0	0	0	0	0	0	0	0	0	1	0	0	0
	Creditors	0	0	0	0	0	0	0	0	0	0	1	0	0	0
	Accounting Statements	0	0	0	0	0	0	0	0	0	0	1	1	0	0
	Stocks	0	0	0	0	0	0	0	0	0	0	1	0	0	0

