

# Deddington Parish Council

## Financial Year 2020-21



Visit date: 22 June 2021

### Year End Internal Audit Observations

**Box B** This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	The Clerk is not CILCA qualified	<i>It is understood that the Clerk is currently undertaking the CILCA qualification which will be completed at the end of 2021.</i>	The Council to note.	Medium	
2	Payments made by Direct Debit and Standing Orders have not been subject to review and approval by Council as set out in Financial Regulations	<i>It is understood that the Council have not carried out an annual review of Direct Debits and Standing Orders in 2020-21.</i>	The Council must ensure that payments under Direct Debit and Standing Order are subject to review and approval as set out in Financial Regulations.	High	
3	Powers under which grants have been made are not clearly stated	<i>The Council maintains list of S137 Grants which also includes Covid 19 grants and S106 grants. It was noted that the Council does not specify Powers in which grants are awarded in the Council Minutes.</i>	Council to ensure that, in future, the power under which grants are made are clearly stated.	Medium	

**Box 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 Conclusion	Observation	Recommendation	Priority	Comments
1	Budget was not approved prior to setting the precept	<i>18 December 2019 Full Council Meeting minute reference 266/19 3 &amp; 4 the Council set and approved the Precept prior to approving the Budget for 2020-21.</i>	The Council must ensure that the Precept set is based on a specific budget requirement evidenced by a budget approved prior to setting the precept.	High	

**Box G** Salaries to employees and allowances to members were paid in accordance with this smaller authority's approvals, and PAYE and NI requirements were properly applied.

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	The signed Clerk employment contract was not provided.	<i>The Clerk employment contract provided as unsigned. It is understood that this will be provided shortly.</i>	The Council to note.	Medium	

**Box I** Periodic and year-end bank account reconciliations were properly carried out.

Audit Conclusion		Observation	Recommendation	Priority	Comments
1	Reviews of bank reconciliation have not been signed and/or dated.	Year End bank reconciliations have not been signed as independently reviewed. It is understood will be reviewed, signed and dated along with the 2020-21 Annual Return.	The Council to provide a signed of the Council Year End bank reconciliations to internal Audit.	High	

**Box M** During summer 2020 this authority has correctly provided the proper opportunity for the exercise of public rights in accordance with the requirements of the Accounts and Audit Regulations.

Audit Conclusion		Observation	Recommendation	Priority	Comments
1	The period of the Exercise of Public Rights did not last for 30 working days.	<i>The period of Exercise of Public Rights did not last 30 working days. The Commencement date was 19 August 2020 which ended 2 October 2020 lasting 32 working days. It was also noted that the announcement date was the same date as the commencement date (the notes on the Form state that the announcement date must be at least one day before the commencement date)</i>	The Council to note that the period of the Exercise of Public Rights did not last for 30 working days. The Council Must give a 'Negative' response to Assertion 4 on the 2020-21 Annual Governance Statement.	Non Compliance	



**Internal Audit Summary**  
**Financial Year 2020-21**  
**Year End Audit**

<b>Client</b> Deddington Parish Council		<b>Date</b>
<b>Clerk:</b> Susan Fuller		15 July 2020
<b>Prior Year Audit Signed</b>	<b>Name</b>	
<b>Pre Audit</b>	Arrow Accounting Ltd/ P Wood	
<b>Year End Auditor 1</b>	Alison Gale	22 June 2021
<b>Year End Auditor 2</b>	Paula Sakalla	23 June 2021
<b>Reviewed by</b>	Kevin Rose	

**Complete**  
 Yes  
 No  
 Yes  
 Yes  
 Yes

**Negative Analysis**

<b>Annual Return – Compliance with Requirements</b>									
Box A	Appropriate accounting records have been kept properly throughout the year.	Not checked	Not applicable	Positive	Negative	Statutory Non-Compliance	High	Medium	Low
	Accounting system	0	0	4	1	0	1	0	0
	Record keeping	0	0	1	1	0	1	0	0
	Minutes	0	0	2	0	0	0	0	0
	Other	0	0	1	0	0	0	0	0
<b>Box B</b>	<b>This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.</b>	<b>6</b>	<b>3</b>	<b>28</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>0</b>
	Financial Regulations & Standing Orders	0	0	11	0	0	0	0	0
	RFO	0	0	2	1	0	0	1	0
	Powers	2	0	1	0	0	0	0	0
	Payment Controls	4	2	5	1	0	1	0	0
	Expenditure Controls	0	0	1	0	0	0	0	0
	VAT Compliance	0	0	2	0	0	0	0	0
	Loan Payments	0	1	0	0	0	0	0	0
	Procurement Controls	0	0	4	0	0	0	0	0
	Grants	0	0	2	1	0	0	1	0
	Other	0	0	0	0	0	0	0	0
<b>Box C</b>	<b>This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Risk	0	0	3	0	0	0	0	0
	Minutes	0	0	1	0	0	0	0	0
	Insurance	0	0	2	0	0	0	0	0
	Internal Controls	0	0	2	0	0	0	0	0
	Other	0	0	0	0	0	0	0	0

Annual Return – Compliance with Requirements									
Box D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Not checked	Not applicable	Positive	Negative	Statutory Non-Compliance	High	Medium	Low
	Budget & Precept setting	3	2	16	1	0	1	0	0
	Annual Return	0	0	4	1	0	1	0	0
	Auditors Reports	1	0	4	0	0	0	0	0
	Accounting Statements	0	1	5	0	0	0	0	0
	Budget monitoring	0	1	1	0	0	0	0	0
	Reserves	0	0	1	0	0	0	0	0
	Other	2	0	1	0	0	0	0	0
	Other	0	0	0	0	0	0	0	0
<b>Box E</b>	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	2	4	16	0	0	0	0	0
	Investments	1	0	2	0	0	0	0	0
	Fees & Charges	0	0	2	0	0	0	0	0
	Lenses	0	0	2	0	0	0	0	0
	Debt control	1	2	0	0	0	0	0	0
	Billing & Collection	0	1	2	0	0	0	0	0
	Precept	0	0	1	0	0	0	0	0
	Cash income	0	0	3	0	0	0	0	0
	VAT Compliance	0	1	4	0	0	0	0	0
	Other	0	0	0	0	0	0	0	0
<b>Box F</b>	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	0	9	0	0	0	0	0	0
<b>Box G</b>	Salaries to employees and allowances to members were paid in accordance with this smaller authority's approvals, and PAYE and NI requirements were properly applied.	2	6	8	1	0	1	0	0
	Contracts	0	0	2	1	0	1	0	0
	PAYE	0	0	4	0	0	0	0	0
	Deductions	0	0	1	0	0	0	0	0
	Pension	1	0	0	0	0	0	0	0
	Members Allowances	0	6	0	0	0	0	0	0
	Accounting	1	0	1	0	0	0	0	0
	Other	0	0	0	0	0	0	0	0
<b>Box H</b>	Asset and investments registers were complete and accurate and properly maintained.	0	2	4	0	0	0	0	0
	Asset Register	0	0	2	0	0	0	0	0
	Additions & Disposals	0	2	0	0	0	0	0	0
	Verification	0	0	1	0	0	0	0	0
	Accounting	0	0	1	0	0	0	0	0
	Investments	0	0	0	0	0	0	0	0
	Other	0	0	0	0	0	0	0	0
<b>Box I</b>	Periodic and year-end bank account reconciliations were properly carried out.	1	2	4	1	0	1	0	0
	Preparation	0	0	1	0	0	0	0	0
	Review	1	0	2	1	0	1	0	0
	Cash balances	0	2	0	0	0	0	0	0
	Accounting	0	0	1	0	0	0	0	0
	Other	0	0	0	0	0	0	0	0

Annual Return – Compliance with Requirements										
Box J	Accounting basis 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.	Not checked	Not applicable	Positive	Negative	Statutory Non-Compliance	High	Medium	Low	
	Accounting basis	0	0	1	0	0	0	0	0	0
	Prior year	0	1	0	0	0	0	0	0	0
	Current Year	0	3	0	0	0	0	0	0	0
	Non-current liabilities	0	1	0	0	0	0	0	0	0
	Accounting Statements	0	0	1	0	0	0	0	0	0
	Stocks	0	1	0	0	0	0	0	0	0
	Other		0	0	0	0	0	0	0	0
<b>Box K</b>	<b>If the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt.</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Box L</b>	<b>The authority 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.</b>									
<b>Box M</b>	<b>During summer 2020 this authority has correctly provided the proper opportunity for the exercise of public rights in accordance with the requirements of the Accounts and Audit Regulations.</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Box N</b>	<b>The authority has complied with the publication requirements for 2019/20 AGAR (see AGAR Page 1 Guidance Notes).</b>									
<b>Box O</b>	<b>Trust funds (including charitable) – The council met its responsibilities as a trustee.</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Meetings	0	2	0	0	0	0	0	0	0
	Accounting	0	2	0	0	0	0	0	0	0
	Statutory Returns	0	1	0	0	0	0	0	0	0
	Other		4	0	0	0	0	0	0	0
	<b>Total</b>	<b>15</b>	<b>45</b>	<b>92</b>	<b>8</b>	<b>1</b>	<b>5</b>	<b>2</b>	<b>0</b>	<b>0</b>