

Town Parish Audit
9 Butlers Wharf
Hebden Bridge
West Yorkshire
HX7 8AF

The Clerk

Gillian Alcock
Embsay with Eastby Parish Council
alcockg@hotmail.co.uk

31 May 2022

Dear Gillian Alcock

Internal Audit of the Accounts for Financial Year ending 31st March 2022

I am pleased to inform you that the internal audit of **Embsay with Eastby Parish Council** is complete. There are a few of issues to note and act upon – see Issue to Note below. The tests and checks as per attached checklist were carried out.

Cashbook and bank reconciliation

The cashbook and bank reconciliation statement were agreed to the 31st of March 2022.

VAT claim

The VAT claim for the year had been carried out in an appropriate manner.

Budget

The compilation of the Councils budget for the year was reviewed and I can confirm that it has been properly compiled and effectively underpins the precept demand.

Minutes

The Council's minutes were reviewed. Samples provided were not signed or paginated.

Insurance

Insurance cover is in place and is adequate for the major liabilities faced by the council.

Annual Governance and Accountability Return 2021-2022

I checked the figures in section 2 of the return and found them to be correct and ready for submission to the external auditor.

Internal Controls

I confirm that I have carried out appropriate tests and checks on the accounts and internal controls as detailed on the accompanying Independent Internal Audit check list and found them to be satisfactory.

For information:

Box F As there was no evidence of the use of petty cash this has been entered as "not covered".

Box K As the authority had a limited assurance review of its 2019/20 AGAR this has been entered as "not covered"

Box L As the authority had an annual turnover exceeding £25,000 this has been entered as “not covered”

To Act Upon:

Box N This has been entered as a ‘No’ as evidence could not be provided that the council complied with the publication requirements for the 2020-21 AGAR. The External Auditor’s report and the Notice of Conclusion of Audit were not published on the website.

Further issues to Note and Act Upon

Pensions

The Council should check that it is in compliance with current pension regulations, via the Pensions Regulator, in relation to declaration and re-declaration. This applies whether current employees take a pension or not.

Discretionary Powers, Legislation and Section 137

It is important to understand and note the use of Section 137 monies as appropriate. S137 is used when the Council does not have another power it can use, for instance it is used when purchasing a wreath or in relation to education. S137 payments should be recorded separately (own column) in the cashbook

Cllr purchases

Reasonably large sums of money appear to be being spent by Cllrs. Cllrs should only be claiming for travel or subsistence expenses. All other expenditure should be carried out by members of staff in the usual way. A debit/charge card should be arranged through the Council’s bank for the Clerk’s/officers use in relation to internet purchases etc.

As well as it not being appropriate for Cllrs to make purchases this causes problems with VAT claims as when claiming VAT the VAT invoice should have the Council’s address.

I can confirm that all original and additional information requested was provided in an efficient, detailed and timely manner.

Yours sincerely



Naomi Goddard

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