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6th April 2020

Broadwas and Cotheridge Parish Council
1a Church Walk
Stourport on Severn
Worcestershire
DY13 0AL

Dear Chairman

Internal Audit Report

I have now completed the internal audit for Broadwas and Cotherage 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.

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 which was reviewed at council and minuted.

The council's insurance cover includes public liability, employer's liability and fidelity guarantee.

The parish council uses dropbox to back up the parish council files.



Registered company number 10880898

D. Precept

The precept was set after the council considered its budget requirements for the year. Although there are financial reports provided to the council it would improve the financial controls to include a simple budget monitoring report where actual income & expenditure is compared against the budget. This is important to ensure budgets are not overspent.

E. Income

There were no unusual receipts during the year.
All interest has been included in the cash book.

F. Petty Cash

Petty cash is not used.

G. PAYE

The PAYE is administered using HMRC's basic tools. The pay increase was clearly minuted and there is evidence of the RTI report held on the council records.

H. Asset Register

The parish council maintains an updated asset register.

I. Bank reconciliations

The bank accounts are reconciled to the cash book regularly and this is evidenced in the minutes. I have recalculated the year end bank reconciliation and confirm it is correct.

J. Accounting Statements

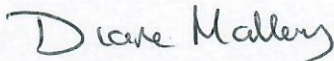
The parish council prepares the accounting statements on a receipts and payment basis and agree to the cashbook.

General

The parish council reserves are high and I understand this is due to the intention to build an extension on the village hall.

In general, the accounting records are well kept, and I would like to thank your clerk, Carole Hirst, for her assistance in the internal audit review and enclose my invoice for your attention.

Yours sincerely



Diane Malley MAAT