

Littlemore Parish Council - Internal Audit Report 2018-19

Interim Audit Observations

Audit date	Priority	Observation	Recommendation	Status	Comments
25 April 2019	H	The Council approved the precept at a meeting of Full Council held on 13th March 2018 on the recommendation of the Finance Committee meeting held on 25th January 2018. The Minutes of the Full Council meeting do not record the value of the precept approved.	The Council must ensure that the value of the precept approved is recording in the Minutes of the relevant meeting of Full Council.	Pending	
	H	It was noted that the prior year Annual Return numbers were not correct. (The council reports on a receipts and payments basis and the Box 7 and Box 8 must agree)	The Council must restate the 2017-18 Annual Return values when submitting the 2018-19 return. (this was discussed and agreed with the Clerk during the audit visit)	Pending	
	H	The Council receives income in respect of advertising in a newsletter. This is a VATable supply and as a Section 33 body the Council is liable to register for VAT if it makes any VATable supplies.	The Council should write to HMRC and request a dispensation from VAT registration.	Pending	
	M	The Council maintains a petty cash. At the date of the audit visit the cash on hand was counted as £538. This is a significant balance in relation to the size of the Council.	The Council should review the cash balances it holds and consider what the maximum value of cash held should be.	Pending	

	M	The Council operates PAYE using an external payroll agency. It is unclear when the Council last verified the balance outstanding with HMRC Online.	On a regular basis, at least at the end of the financial year, the Council should check HMRC online and verify the balance outstanding.	Pending	
	L	It was noted that the Council has experienced difficulties in producing bank reconciliations from the Scribe accounting system. It is understood that the Council will be migrating to Rialtas software during the 2019-20 which should resolve this problem.	Council to note	Pending	

Priority

H	High Priority: Potential of legal or regulatory non-compliance or risk of significant financial or reputational impact
M	Medium Priority: Potential for operational impact, medium risk of financial or reputational impact
L	Low Priority: Issues that the Council should be aware of, or that have been resolved. No further action required.



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