

SpilsbyTownCouncil

INTERNAL AUDIT REPORT 2021/22

Internal Auditor: **Steve Fletcher**

Date of Audit: **6th May 2022**

Internal Control	Findings, Recommendations & Notes to Town Council and Town Clerk & RFO
Proper Book-keeping	<p>Scribe accounting system is used to record payments and receipts (2021/22) and is used as the basis of the cashbook; It is noted that an excellent Excel spreadsheet system was used during the 2020/21 period.</p> <p>Controls appear adequate for cash receipts and cheque payments.</p> <p>A sample check of items and summary totals of payments approved by Council agrees with the cashbook totals and balances.</p> <p>A sample check of cash reconciliation shows correct procedures have been undertaken throughout the financial year.</p> <p>S.137 expenditure has been properly identified in the accounts.</p>
Standing Orders & Payment Controls	<p>Financial regulations and other Town Council Policies have been reviewed and changes approved by Council during the 2021/22 financial year.</p> <p>From a sample of payments in the cashbook, payments appear to be properly supported by invoices and these are approved each month by Council.</p> <p>VAT statements were produced from Excel spreadsheets/Scribe and appear to be in order.</p>
Risk Management & Risk Assessment	<p>Following an in-depth review of the Town Council minutes (prior to office visit) and financial documentation, they are presented in a 'user friendly' way and there is no evidence of any unusual financial activities.</p> <p>A risk assessment and asset assessment has been undertaken and approved by the Council during the financial year 2021/22.</p> <p>Insurance provision appears to be adequate with payment to insurance provider (BHIB) shown on bank statement and in the cashbook.</p>
Budget Controls	<p>A budget has been prepared that supports the precept demand for financial years 2021/22 / 2022/23 and were duly approved by the Town Council (03.12.2020) and (25.11.2021) respectively.</p>

Internal Controls	Internal budgetary control measures appear robust and adequate, and the appointment of an internal auditor was resolved by the Town Council during the financial year 2021/2022.
Income Controls	Controls for minimal income and receipting/recording of such appear adequate.
Loans	None
Petty Cash	<p>From a sample check of the petty cash and summary totals of payments, sums within the cashbook balance and supporting receipts confirm amounts spent.</p> <p>The petty-cash float held within the office balances with receipts at year end - (note balance £19.35 as at 31.03.2022).</p> <p>Satisfactory controls and risk assessments are in place in relation to the management and reconciliation of the petty-cash account.</p>
Payroll	Payments pertaining to the payroll for all staff of the Town Council were approved by Council during the Financial year 2022/22 and all PAYE and NI calculations and payments have been duly authorised and made.
Asset Controls	The Town Council has a comprehensive asset register which clearly identifies council assets and their individual and combined values.
Bank Reconciliation	Bank reconciliations are complete for the financial year 2021/22 and supported by payment and receipt entries within the cash book and corresponding bank statements.
Year End Procedures	I am satisfied that all year end procedures have been duly undertaken and completed in an appropriate way And the form in support of the accounts to the External Auditor has been completed to this effect.

Internal Auditors Comment:

I recommend that the Town Clerk & RFO be congratulated on providing continued excellent administration support and comprehensive financial records on behalf of Spilsby Town Council.

Steve Fletcher

Steve Fletcher– 6th May 2022