

Braunton Parish Council

Financial Year 2021-22



IAC Audit and Consultancy Ltd

Interim Internal Audit Observations

Visit date: 10- November -20

A *Appropriate accounting records have been properly kept throughout the financial year.*

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Are accounting entries correct with few correcting entries?	<i>It was noted that generally the quality of recordkeeping has improved with a much reduced number of amended or deleted transactions. It was note that there were still occasional instances of duplication of entries. This appears to be due to different members of staff independently entering the same transactions.</i>	The Council to review the responsibility for particular transactions, such as sales invoicing, to ensure that one person is responsible for the task and for generating the required accounting entries.	Medium	

E *Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.*

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Charges levied / Invoices paid can be traced to subsequent banking	<i>It was noted that Council staff had identified an issue with a Car Parking audit listing, which had resulted in a discrepancy of approximately £20 on income. On review during the audit it was established that one audit total was missing in the sequence and this was very probably what had given rise to the discrepancy</i>	Council to contact the company responsible for collecting the income and obtain an audit listing from the machine detailing the missing reading. On receipt of this Council to confirm with the Company the status of any income recorded by the machine that has not been deposited.	Medium	
2	A register is keep of regular amounts of income due	<i>The Council does not maintain a register or listing of regular amounts of income due. These mainly relate to lease/hire income which may be receivable on an annual, quarterly, or monthly basis.</i>	Council to set up a register/listing of all regular amounts of income due, detailing both the amounts and dates due.	Medium	

I *Periodic bank account reconciliations were properly carried out during the year.*

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	There are no unexplained balancing entries in any reconciliation (Interim)	<p><i>There were unexplained balancing entries in the bank reconciliation. These were discussed and resolved with the Clerk during the audit visit.</i></p> <p><i>It was noted that the unreconciled listing for the Car Park account as at 30th June did not agree with the unreconciled value stated on the bank reconciliation, however this had not been noted when the Council reviewed and approved the bank reconciliation. (The latest bank reconciliation as at 31st October was checked and agreed.)</i></p>	<p>The Council to formally approve the adjustments made to the unreconciled items by the Clerk.</p> <p>In future the Council to ensure that each of the values stated on the bank reconciliation, such as the bank statement balance and the uncleared listing, agree to the underlying supporting records.</p>	High	
2	Bank reconciliations have been signed and dated as evidence of independent review (Interim)	<p><i>Bank reconciliations have not been signed and dated as evidence of independent review as required under Financial REgulation 2.2</i></p>	<p>Bank reconciliations which have been subject to review should be signed and dated as evidence of this review.</p>	Medium	