



Fretherne with Saul Parish Council

Financial Year 2021-22

IAC Audit and Consultancy Ltd

Audit date: 11-May-2022

Year End Internal Audit Observations

B This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Is Clerk CILCA qualified?	The Clerk is currently undertaking the CILCA qualification.	The Council to note.	Medium	

D The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	The Council approved the budget for the year prior to setting the precept	The Council did not formally approve a budget prior to setting the Precept as required by paragraph 1.8 of The Practitioners Guide 2021. The budget was set in March 2021 and the precept in January 2021.	The Council to note that it MUST approve a budget prior to setting the Precept. The Council to consider what response it should give in respect of Assertion 1 of the Annual Governance Statement.	High	This has been noted and was actioned this year.
2	The Minutes of the meeting of Full Council, in which the precept was set, clearly states the value of the precept to be raised	The Minutes of the meeting in which the precept was set, do not state the value of the precept to be raised.	In future the Council should ensure that the value of the Precept to be raised is clearly recorded in the Minutes of the meeting in which the Precept is set. The Council to formally confirm the value of the precept raised for the year.	High	This has been noted and was actioned correctly this year. The value of the precept raised in 2021-22 was £32,500.

G Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.

No.	Audit Test	Observation	Recommendation	Priority	Comments
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1	Contracts of employment are available	<i>The contract of employment received has been signed by the Clerk but not by the Council.</i>	The Council to verify whether contracts of employment are signed by all parties.	High	The Chairman had not signed the clerks contract of employment. This has now been rectified.
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Periodic bank account reconciliations were properly carried out during the year.					
No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Bank reconciliations have been carried out regularly and in a timely manner (interim)	<i>Bank reconciliations have not been carried out regularly and in a timely manner</i>	The Council to ensure that bank reconciliations are carried out regularly and in a timely manner	Medium	Bank reconciliations, visibility of the accounts and budget spreadsheet, invoices and receipts are circulated to councillors before each meeting. This is noted in the financial section of the agenda for each meeting.

M The authority, during the previous year (2020-21) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).					
No.	Audit Test	Observation	Recommendation	Priority	Comments
1	Council Minutes record the dates set for the Exercise of Public Rights	<i>Council Minutes do not record the dates set for the Exercise of Public Rights.</i>	In future the Council to ensure that the date set for the Period of Exercise of Public Rights is recorded in Council Minutes.	High	This has been noted.

N The authority has complied with the publication requirements for 2020/21 AGAR (see AGAR Page 1 Guidance Notes).					
No.	Audit Test	Observation	Recommendation	Priority	Comments
1	The Annual Governance Statement was approved at a meeting of Full Council as required by Regulation 12 of the Accounts and Audit Regulations 2015	<i>The Annual Governance Statement was not approved at a meeting of Full Council as required by Regulation 12 of the Accounts and Audit Regulations 2015</i>	The Annual Governance Statement MUST be approved at a meeting of Full Council as required by Regulation 12 of the Accounts and Audit Regulations 2015. The Council Must give a 'Negative' response to Assertion 3 on the 2021-22 Annual Governance Statement.	Non Compliance	This has been noted by the councillors, an explanation has been submitted on the 'no' response letter.

2	<p>The Annual Accounting Statement was approved at a meeting of Full Council as required by Regulation 12 of the Accounts and Audit Regulations 2015</p>	<p><i>The Annual Accounting Statement was not approved at a meeting of Full Council as required by Regulation 12 of the Accounts and Audit Regulations 2015</i></p>	<p>The Annual Accounting Statement MUST be approved at a meeting of Full Council as required by Regulation 12 of the Accounts and Audit Regulations 2015.</p> <p>The Council Must give a 'Negative' response to Assertion 3 on the 2021-22 Annual Governance Statement.</p>	<p>Non Compliance</p>	<p>This has been noted by the councillors, an explanation has been submitted on the 'no' response letter.</p>
3	<p>The prior year Annual Governance Statement was approved prior to Approval of Accounting Statements (if the same date then AGS approval should proceed Accounting Statements on Agenda/Minutes)</p>	<p><i>21 June 2021 Full Council Meeting minute reference EOM040621 recorded the following; "To discuss and approve the AGAR and accompanying reports-The reports have all been previously circulated to the councillors for consideration. Those parts of the report to be commented on were discussed by councillors before being finalised and progressed to the external auditors by the clerk."</i></p>	<p>The Annual Governance Statement MUST be approved prior to Approval of Accounting Statements (if the same date then AGS approval should proceed Accounting Statements on Agenda/Minutes).</p> <p>The Council Must give a 'Negative' response to Assertion 3 on the 2021-22 Annual Governance Statement.</p>	<p>Non Compliance</p>	<p>This has been noted by the councillors, an explanation has been submitted on the 'no' response letter.</p>