

Newham on Severn Parish Council

Financial Year 2020-21



Visit date: 14 April 2021

Year End Internal Audit Observations

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

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	The Council makes VATable supplies but is not VAT registered and does not have in place a dispensation from registration.	<i>Council has concession income from a trader, which is normally a standard rated VATable supply. Council has previously written to HMRC to request a dispensation, but has not received a reply.</i>	The Council should review the VATable supplies it makes. If the value of supplies is limited (with an annual VAT amount of less than £2,000) the Council should obtain a dispensation from registration from HMRC. If the amount exceeds this the Council will need to make arrangements to register for VAT.	High	Letter written to HMRC requesting dispensation. Action closed

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

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	Pension contributions have not been properly computed	<i>The Council does not currently contribute to a pension scheme. It is understood that Clerk has previously opted out of compulsory enrolment however documents confirming this were not available at the time of audit.</i>	The Council should review compliance with pension Auto Enrolment provisions		Pension options and values to be checked via GAPTC to ensure correct actions are taken

Box I Periodic and year-end bank account reconciliations were properly carried out.

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	Bank reconciliation have not been subject to independent review.	<i>Pending approval by Council (will be done at next meeting)</i>	Council to review and approve 31st March bank reconciliation prior to approval of accounting statements	High	The audit preceeded the April meeting where all Annual Governance, accounting and bank reconciliations are and were approved Action closed

Box M During summer 2020 this authority has correctly provided the proper opportunity for the exercise of public rights in accordance with the requirements of the Accounts and Audit Regulations.

No.	Audit Conclusion	Observation	Recommendation	Priority	Comments
1	The period for the Exercise of Public Rights did not commence the day after the Council published the Accounting Statements and Annual Governance Statement	<i>The Council published the Accounting Statement 2019-20 on the 27 April 2020. The Notice of Exercise of Public Rights commenced 22 June 2020.</i>	The Council must ensure that there is no undue delay between the approval and publication of the AGAR and the commencement of the period for the Exercise of Public Rights.	High	The notice of public rights timings used were those recommended by the external auditors. No comment was made by them on signing off section 3 of the AGAR. Their recommended dates will be used again this year. Action closed