



# DM PAYROLL SERVICES LTD

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8<sup>th</sup> May 2018

Belbroughton and Fairfield Parish Council  
Millers Cottage  
Pinkham  
Cleobury Mortimer  
DY14 8QE

Dear Chairman

## **Internal Audit for Belbroughton and Fairfield Parish Council**

I have now completed the internal audit for Belbroughton and Fairfield Parish Council. I have carried out tests on the systems in place and have reviewed the internal controls. I confirm I have acted independently; the basis of the internal audit is by selective assessment of compliance with relevant procedures and controls.

### **A. Appropriate books of account**

Appropriate books of account have been kept during the year. The council has used an accounting software package to record the books of account, the books are kept up to date and there is evidence in the minutes they are balanced regularly.

### **B. Financial Regulations**

There is a clear audit trail of samples picked. Financial Regulations were met, payments were supported by receipts or invoices and payment schedules were reported to meetings. It would strengthen the internal controls if grant recipients are asked to acknowledge receipt if their grants.

There was evidence of quotations for works being compared during the procurement process.

VAT was appropriately accounted for and VAT reclaimed quarterly.

### **C. Risk Assessments**

The risk assessment adequate for the council's purposes has been carried out.

**D. Precept**

The precept was set after the council considered its budget requirements for the year. Financial monitoring reports of actual income and expenditure compared against the budget are provided to the council/finance committee regularly.

**E. Income**

There were no unusual receipts during the year. Interest has been recorded in the accounting records

**F. Petty Cash**

Petty cash is not used.

**G. PAYE**

The PAYE is administered correctly and there is evidence of RTI submissions being made.

**H. Asset Register**

The parish council maintains an updated asset register which has been reviewed during the year.

**I. Bank reconciliations**

The bank accounts are reconciled to the cash book monthly and reported to the council/finance committee on a regular basis.

**J. Accounting Statements**

The parish council prepares the accounting statements on an Income and Expenditure basis and agree to the cashbook.

**General**

In general, the accounting records are well kept.

I would like to thank your clerk, John Farrell, for his assistance in the internal audit review and enclose my invoice for your attention.

Yours sincerely



Diane Malley MAAT