



Nocton Parish Council

Internal Audit Report

Financial Year Ending:	31 March 2021	Date Audit Carried Out:	02 and 03 June 2021
Internal Auditor:	Ms Safia Kauser	Date Report Issued:	04 June 2021
Report Status:	Final		
Audit Assurance Assessment Cover:	The programme of cover has been designed to afford <u>reasonable assurance</u> that the Councils financial systems are operating in an effective manner and in compliance with the statutory legal framework. This audit assurance applies to each individual control area that has received a positive internal audit response.		
Audit Assurance Definition:	Reasonable Assurance Definition: There is generally a sound system of governance, risk management and control in place. Some issues non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.		

This internal audit report considers the best practice and internal auditing standards referenced within the Practitioners' Guide to Governance and Accountability for Local Authorities.

Internal audit is an on-going function, undertaken regularly throughout the financial year, to test the continuing existence and adequacy of the authority's internal controls. It results in an annual assurance report to members designed to improve effectiveness and efficiency of the activities and operating procedures under the authority's control. Managing the authority's internal controls is a day-to-day function of the authority's staff and management, and not the responsibility of internal audit.

Internal audit does not involve the detailed inspection of all records and transactions of an authority in order to detect error or fraud.

Background

1.1 Nocton Parish Council

The parish council is the first tier of local government. The council has 7 Councillors and a part time Clerk/Responsible Financial Officer and a Village Keeper and Dog Warden that was employed during 2020/21. The Hub Manager and the Hub Cleaner were furloughed during this financial year and their temporary contracts were ended. The precept for 2020/21 financial year was £25,120. In addition to the precept the council receives additional income from village hall, grants and bank interest.

1.2 The Parish Council owns a village community centre called the Nocton Hub. A PWLB loan of circa £550k was taken out in 2019/20 for the construction of the Village Community Centre which is run by a recently set up Nocton Hub Management Group of the Parish Council on a break-even basis. A new Parish Clerk/RFO was in post from 01 April 2021 following the departure of the former Clerk/RFO who left on the 31 March 2021.

Statement of Responsibility

1.2 Responsibility

The internal audit work was undertaken in accordance with the agreed scope of assignment and in accordance with the letter of engagement. The council as a corporate body is responsible for ensuring that council business is conducted in accordance with the law, regulations and proper practices and that public money is safeguarded and properly accounted for. Managing the authority's internal controls is a day-to-day function of the authority's staff and management, and not the responsibility of internal audit.

1.3 This report and findings are based on the information that was made available during the course of the audit. The matters raised in the report should not be read as a comprehensive statement of all the weaknesses identified or all improvements to be made. Internal Audit work should not be relied upon to identify all circumstances of fraud and irregularity, should there be any. Internal audit does not involve the detailed inspection of all records and transactions of an authority in order to detect error or fraud.

1.4 The Internal audit report should inform the authority's responses to Assertions 2 and 6 in the Annual Governance Statement that forms part of the Annual Governance and Accountability Return [AGAR]. This internal audit report should therefore be made available to support and inform members considering the authority's approval of the annual governance statement.

Internal Control Objectives 2021/22 and Assessment Summary of Responses

Internal Control Objectives [As set out in the AGAR Internal Audit Report]		Internal Audit Response
A	Appropriate accounting records have been kept properly throughout the year.	Yes
B	This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	Yes
C	This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	No
D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Yes
E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	Yes
F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	Not Covered
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
H	Asset and investments registers were complete and accurate and properly maintained.	No
I	Periodic and year-end bank account reconciliations were properly carried out.	Yes
J	Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	Yes
K	IF the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")	Not Covered
L	If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/ webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.	Not Covered
M	The authority, during the previous year (2019-20) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (<i>evidenced by the notice published on the website and/or authority approved minutes confirming the dates set</i>).	Yes
N	The authority has complied with the publication requirements for 2019/20 AGAR (<i>see AGAR Page 1 Guidance Notes</i>).	No
O	(For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Not Covered

Internal Audit Findings and Recommendations

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

Internal Audit Testing	Compliance	Comments / Recommendations
Do the previous year's annual return figures agree with the current year's opening balances in the cash book?	No	<p>The closing balances of £43,224 at 31 March 2020 were not carried over as the opening balances to the new financial year at 01 April 2020.</p> <p>RECOMMENDATION 1: That the opening balances are entered into the cashbook to ensure it is up to date and records the Councils cash balances.</p>
Ledger maintained and up to date? Arithmetic correct?	Yes	<p>Sample of cashbook entries were checked against the invoices, cashbook and bank statements.</p> <p>Entry 153 to T J Book keeping – Total invoice was £100.00. Only £60.00 recorded in cashbook for parish council expenses. £40.00 identified as the 'Hub' expense. Council should ensure payments to the 'Hub' are identified on a separate invoice addressed to the management committee.</p> <p>RECOMMENDATION 2: That invoices for goods and services ordered and delivered to the 'Hub' are sent on a separate invoice and segregated from parish council costs.</p>
Internal Audit Response		Yes

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

Internal Audit Testing	Compliance	Comments / Recommendations
Has the Council adopted the Standing Orders and are these in accordance with the latest NALC model?	Yes	<p>Although the Standing Orders were adopted on the 20 March 2020, it is unclear if these are based on the NALC Model. For example, the NALC Model Standing Orders includes text in bold which identifies that the Standing Order has been derived from legislation, whereas the current standing orders don't identify any standing orders in bold text.</p> <p>RECOMMENDATION 3: That the Standing Orders are updated in line with the latest copy of the NALC Model Standing Orders and tailored to the business needs of the council as required.</p>

<p>Has the Council adopted Financial Regulations and are these up to date with the latest NALC Model? And tailored to the Council?</p>	<p>Yes</p>	<p>It appears that the Financial Regulations are based on the NALC model however they are out of date. For example FR 11.1 (b) refers to three tenders to be received for contracts over the value of £25k whereas this requirement was updated several years ago due to the introduction of the Public Contracts Regulations 2015 which requires compliance with these regulations for contract values exceeding £25k eg adverting tender opportunities etc</p>
<p>Is the purchasing authority defined in Financial Regulations? Is this consistent with the Standing Orders?</p>	<p>Yes</p>	<p>RECOMMENDATION 4: That the Financial Regulations are reviewed and updated in line with the latest NALC Model Financial Regulations and tailored to the business needs of the council as required. Care should be taken to ensure that the acquisition of formal tenders between Standing Orders and Financial Regulations are consistent.</p>
<p>Are all payments listed in the cashbook supported by invoices, authorised and minuted? Certification of an account stamp used?</p>	<p>Yes</p>	<p>Payments schedule are presented on a quarterly basis to council for approval and minuted accordingly. However, it is unclear from the minutes how the initial payment was authorised. On the face of the invoices there is no certification stamp used to provide an adequate audit trail to confirm where the payment originated from.</p>
<p>Are all payments listed in the cashbook supported by invoices, authorised and minuted? Certification of an account stamp used?</p>	<p>Yes</p>	<p>RECOMMENDATION 5: A suitably designed accounts authorisation stamp should be used for all invoices, for providing evidence of checks as required by the councils Financial Regulations. An authorisation stamp could include details for Certifying Officer; Authorisation reference; Purchase Order number; System Code; Date Paid and Payment Type which could include details of the cheque number, direct debit arrangement or bank transfer reference and signatory authorisation.</p>
<p>Is there a segregation of duties between writing cheques and/or setting up online payments and physical release of payments?</p>	<p>No</p>	<p>The payments are made via cheque, direct debit and bacs transfer. There are no internal controls in place to manage online banking transactions.</p>
<p>Is S137 separately recorded and within limits? Is S137 expenditure of direct benefit to electorate? Is S137 expenditure minuted?</p>	<p>Not Covered</p>	<p>There are no S137 payments recorded in the cashbook.</p>

Is VAT correctly recorded in the cashbook and linked to invoices?	Yes	Sample of invoices were checked for VAT against the cashbook which had been recorded correctly.
VAT evidence, recording and reclaim?	Yes	<p>There is a separate column in the cashbook that records the VAT paid by the council. Total VAT recoverable as recorded in the cashbook was £17,534.33.</p> <p>1) Apr-June 2020 – VAT reclaimed £12,474.43</p> <p>2) July- Nov 2020 – VAT reclaimed £4,944.63</p> <ul style="list-style-type: none"> • £15.60 – missed off VAT reclaim, see cashbook transaction entry 147 <p>3) Dec – Jan 2021 – VAT not reclaimed</p> <p>The total VAT to be recovered is a total of £115.27.</p> <p>RECOMMENDATION 6: That the VAT entry of £15.60 is reclaimed with the next VAT reclaim submitted by the RFO.</p> <p>RECOMMENDATION 7: That the VAT reclaim is submitted for the period covering December 2020 to 31 March 2021.</p>
Internal Audit Response		Yes

C This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

Internal Audit Testing	Compliance	Comments / Recommendations
Annual risk assessment carried out?	No	<p>A review of the council minutes confirmed there was no formal risk assessment considered by the council. Risk management is the process whereby authorities methodically address the risks associated with what they do and the services which they provide. The focus of risk management is to identify what can go wrong and take proportionate steps to avoid this or successfully manage the consequences. The assessment of potential impact and likelihood need not be any more complex than assigning a simple numerical score, say 1 – 3, and multiplying the two scores to arrive at a risk assessment for each risk of high, medium or low. The risk assessment enables the authority to decide which risks it should pay most attention to when considering what measures to take to manage them. Further guidance is set out in the Practitioners Guide.</p>

		RECOMMENDATION 8: That the council adopts a corporate risk assessment covering all financial and reputational risks the council is exposed to with appropriate controls to manage the impact and likelihood of the risk identified.
Evidence of annual insurance review?	No	The annual insurance was renewed with Came and Company on the 08 June 2020. The cover is in place from 01 June 2020 to 31 May 2021. Additional cover was taken out in August 2020 to include the community hub following a building insurance valuation of demolition and rebuild valued at £487,500. There is no evidence contained within the minutes to confirm that the council formally reviewed the insurance cover.
Insurance cover appropriate and adequate?	Yes	Insurance cover in place, including: <ul style="list-style-type: none"> • Building and Contents (the hub) • Street furniture and outside equipment • Business Interruption • Money with assault extension • Employers Liability, Public Liability, Personal accident • Officials Indemnity and Legal Expenses • Fidelity cover at £150k <p>There is no cover in place for professional indemnity. The council should review the officials indemnity cover to confirm if this is extended to council officers and whether it affords the same level of cover under professional indemnity for officers.</p>
Internal financial control checks documented and evidenced?	No	Regulation 6 of the Accounts and Audit Regulations 2015 requires the council to conduct each financial year a review of the effectiveness of the system of internal control. The review assists the council to respond to the Annual Governance Statement, Assertion two.
		RECOMMENDATION 9: That the council carries out a review of the effectiveness of its internal control systems to part comply with the annual governance statement, assertion two.
Appropriate monitoring in place? (Play areas, sports pitches, open spaces)	Not covered	Not applicable
Internal Audit Response		No

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

Internal Audit Testing	Compliance	Comments / Recommendations
Is there an annual budget to support precept? Has the budget been discussed and adopted by council?	Yes	Approved at a meeting of the full council held on the 26 January 2021. A budget report had been prepared by the RFO. The budget was set £23,375, representing an increase of 2.5%, (£1.99).
Is the precept demand correctly recorded in the minutes?	Yes	Recorded in the minutes of the meeting held on the 26 January 2021.
Level of reserves within Proper Practice? Is it between 3 and 12 months running costs. Review earmarked reserves.	Yes	Reserves were projected to be in the region of £18k representing 70% of the councils NRE which is within the recommended levels to be retained for a general reserve balance.
Is the budget against spend comparisons provided regularly to the Council? Is it on a quarterly basis? Any unexpected variances?	Yes	A financial report is submitted to full council showing the actual budget vs expenditure to date and remaining balance.
Internal Audit Response		Yes

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

Internal Audit Testing	Compliance	Comments / Recommendations
Does the precept approved agree to the Council Tax authority's notification and has this been received and banked?	Yes	The precept of £25,120 approved on the 14 th January 2020 was received and banked on the 01 st April 2020 in one instalment.
Does the council receive any other income in addition to the precept? Is the income properly recorded and banked?	Yes	Income received following successful grant applications and furlough income claimed and received.
Has the council correctly invoiced for any sales and is the correct rate of VAT applied? (if applicable)	Not Covered	The council is not registered for VAT.
Internal Audit Response		Yes

F Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for

Internal Audit Testing	Compliance	Comments / Recommendations
Does the Council manage petty cash and is it accounted for properly and included in the AGAR figures? Is all petty cash spent recorded and supported by VAT receipts?	Not Covered	Not applicable to Nocton PC.
Is petty cash expenditure reported to each council meeting?	Not Covered	
Internal Audit Response		Not Covered

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.

Internal Audit Testing	Compliance	Comments / Recommendations
Is there a contract of employment for the Clerk/RFO and all employed staff?	Yes	<p>Employment contracts were made available for all employees however they were unsigned copies.</p> <ul style="list-style-type: none"> • Hub Manager appointed on a temp 3 month contract that commenced on the 20 July 2020. (2.5 hours per week) • Hub Cleaner appointed on a temp 3 month contract that commenced on the 03 August 2020 (4 hours per week) • Clerk/RFO employed on 36 hours per month. • Village Keeper & Dog Warden (10 hours per week). <p>RECOMMENDATION 10: That a copy of the signed contracts of employment are retained by the council.</p>
Has the Council approved the salaries paid? Do the salary records correspond with the pay points agreed by the Council?	No	<p>Payroll testing was carried out for the month of October (month 7) in accordance with the contracts of employment:</p> <ul style="list-style-type: none"> • Clerk/RFO – Payment made via Standing Order does not correspond to the pay slip issued by payroll. • Village Keeper & Dog Warden – No issues identified. • Hub Manager – No – gross pay was not calculated in accordance with the contract. • Hub Cleaner – No – gross pay was not calculated in accordance with the contract. <p>No contract variation letters were provided for the Hub Manager and Cleaner that could explain the difference in the rates as per contracts of employment and the gross pay paid to the employees.</p> <p>RECOMMENDATION 11: That the pay is reviewed for the Village Keeper and Dog Warden in accordance with the legal requirements to comply with the legal minimum wage. Further guidance is available via the .gov website, see link: The National Minimum Wage and Living Wage - GOV.UK (www.gov.uk)</p>
Is the Tax and NI contributions paid within the expected parameters to HMRC? Are copies of P11s available?	Yes & No (see comments)	Tax and NI are deducted by payroll but due to the audit findings in the salary payments to the Clerk/RFO there is likely to be HMRC implications that should be investigated.
Are pension obligations met as part of the auto-enrolment process? Criteria £10k salary p.a	Not applicable	Not applicable to the current staff employed.
Internal Audit Response		No

H Asset and investments registers were complete and accurate and properly maintained.

Internal Audit Testing	Compliance	Comments / Recommendations
Does the council keep a register of all material assets owned? Is asset register up to date?	No	<p>A proxy cost was used for the village hall which has now been updated based on professional external advice. Several small value items were purchased during the year for the village hall that had not been included in the asset register.</p> <p>RECOMMENDATION 12: That the council considers an asset register policy based on the guidance contained within the practitioners guide that relates to asset management and all fixed assets purchased during the financial year are added to the register.</p>
Does the asset register record the replacement value of individual assets for insurance purposes?	No	<p>The insurance schedule provides adequate cover for the assets recorded in the asset register but the register does not include a column which states the replacement value for insurance purposes.</p> <p>RECOMMENDATION 13: That the asset register includes a replacement value column to determine the replacement cost of an asset for insurance purposes.</p>
Compare the Asset Register value reported in section 2, box 9 prior year reported figure, adjusted to include new assets / and/or disposals. Is there a record of disposals to record non-serviceable/disposed assets?	Yes	<ul style="list-style-type: none"> • £251,286 recorded at 31 March 2020 • £507,111 recorded at 31 March 2021 <p>Variance of £255,825 part explained with the revaluation of the hub (+£258,500); (-£1,632 disposal of village sign; (-£49.99 disposal of laptop/scanner)</p> <p>RECOMMENDATION 14: That the asset register includes a clear audit trail to identify the changes in the asset register value from each financial year.</p>
Does the Asset Register value correspond to box 9 of the Annual Return?	Yes	
Does the register of assets correspond to the insurance schedule to ensure that all assets are insured or self-insured by the council?	Yes	See notes above.
Have the assets been inspected for risk and H&S purposes and do inspection records exist?	No	
Internal Audit Response		No

I Periodic and year-end bank account reconciliations were properly carried out.		
Internal Audit Testing	Compliance	Comments / Recommendations
Is there a bank reconciliation for each account?	Yes	Bank balances as per statements are included in the financial report submitted to council.
Reconciliation carried out on receipt of statement?	Yes	See comments above.
Are bank reconciliations reported to council and committee? Are these independently signed off by members and recorded in the minutes?	Yes	See comments above. Councillors should review the bank reconciliation statement at the council meeting and verify it against the bank statement. This verification should be minuted accordingly.
Any unexpected balancing entries in any reconciliation? Sample test one month.	No	
Bank Reconciliation to the 31 March?	Yes	This reconciles with the bank statement.
Internal Audit Response		Yes

J Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.		
Internal Audit Testing	Compliance	Comments / Recommendations
Year-end accounts prepared on correct accounting basis?	Yes	Recipets and payments basis.
Do the Bank statements and ledger reconcile at 31 March?	Yes	Pro-forma bank reconciliation provided.
Is there an underlying financial trail from records to presented accounts?	Yes	Pro-forma to explain the significant variances has been completed by the Clerk/RFO.
Where appropriate, debtors and creditors properly recorded?	Not applicable	
Internal Audit Response		Yes

K IF the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")		
Internal Audit Testing	Compliance	Comments / Recommendations
Has the Council correctly declared itself exempt from external audit? i.e receipts and payments individually totalled less than £25k.	Not applicable	
Internal Audit Response		Not Covered

L If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/ webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.
***Applies to councils covered by the £25,000 external audit exemption.**

Internal Audit Testing	Compliance	Comments / Recommendations
Internal Audit Response		Not Covered

M The authority, during the previous year (2019-20) 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).

Internal Audit Testing	Compliance	Comments / Recommendations
Do arrangements for public inspection of council's records exist? The inspection window must include a 30-working day period including the first 10 working days of July following the end of the financial year to which the accounts relate. *Exercise of public rights had to commence on or before 01 September. Requirement for first 10 working days in July was removed due to Coronavirus pandemic.	Yes	Dates correctly advertised covering a 30 day working period.
Evidence of public inspection notice seen? And website address.	Yes	See link: public rights for web and board.pdf (noctonparishcouncil.gov.uk)
Did the council approve the relevant dates in the council minutes for the exercise of public rights?	No	Recommended good practice is to record the dates for the exercise of public rights in the council minutes.
Internal Audit Response		Yes

N The authority has complied with the publication requirements for 2019/20 AGAR (see AGAR Page 1 Guidance Notes).

Internal Audit Testing	Compliance	Comments / Recommendations
Review evidence for publication: 1) AGAR to be approved and published by 31 August 2020 at the latest or may be approved earlier, wherever possible (previous requirement was 01 July 2020). 2) External Audit Certificate and Conclusion of Audit of Notice to be posted on the council website by 30 November 2020 (extended by one month from 30 September 2020).		
• Notice of the period of exercise rights and a declaration that the accounting statements are as yet unaudited.	Yes	See link: public rights for web and board.pdf (noctonparishcouncil.gov.uk)
• Section 1 – Annual Governance Statement 2019/20 approved and signed.	No	The document was unsigned, see link: agar_nocton_l10261_section_1 - annual governance statement2019-20.pdf (noctonparishcouncil.gov.uk) Further guidance is available via this link: 1-2020-21-detailed-instructionsCover.pdf (pkf-l.com)

<ul style="list-style-type: none"> Section 2 – Accounting Statements 2019/20 approved and signed. 	No	The document was unsigned, see link: agar_nocton_l10261_section_2_-_accounting_statements.pdf (noctonparishcouncil.gov.uk)
<ul style="list-style-type: none"> Notice of conclusion of audit 	No	Requirement was to publish the notice by the 30 November 2020. The notice was placed on the website on the 09 December 2020, see link: agar_notice_of_conclusion_of_audit.pdf (noctonparishcouncil.gov.uk)
<ul style="list-style-type: none"> Section 3 – External Auditor Report and Certificate 	Yes	See link: li0261_s3.pdf (noctonparishcouncil.gov.uk)
<ul style="list-style-type: none"> Sections 1 and 2 of AGAR including any amendments as a result of the limited assurance review 	Not applicable	
Internal Audit Response		No

O Trust funds (including charitable) – The council met its responsibilities as a trustee		
Internal Audit Testing	Compliance	Comments / Recommendations
Charities reported and accounted separately?	Not applicable	
Internal Audit Response		Not covered

AGAR Internal Audit Report 2020/21

The internal audit AGAR report has been signed off. The responses as set out in the summary (page 3) have been carried across to the AGAR form. The negatives responses are supported by the findings contained in this report.

Recommendations Action Plan (Attached)

No	Recommendation	Page Number	Responsibility	Timescale
1	That the opening balances are entered into the cashbook to ensure it is up to date and records the Councils cash balances.	4		
2	That invoices for goods and services ordered and delivered to the 'Hub' are sent on a separate invoice and segregated from parish council costs.	4		
3	That the Standing Orders are updated in line with the latest copy of the NALC Model Standing Orders and tailored to the business needs of the council as required.	4		
4	That the Financial Regulations are reviewed and updated in line with the latest NALC Model Financial Regulations and tailored to the business needs of the council as required. Care should be taken to ensure that the acquisition of formal tenders between Standing Orders and Financial Regulations are consistent.	5		
5	A suitably designed accounts authorisation stamp should be used for all invoices, for providing evidence of checks as required by the councils Financial Regulations. An authorisation stamp could include details for Certifying Officer; Authorisation reference; Purchase Order number; System Code; Date Paid and Payment Type which could include details of the cheque number, direct debit arrangement or bank transfer reference and signatory authorisation.	5		
6	That the VAT entry of £15.60 is reclaimed with the next VAT reclaim submitted by the RFO.	6		
7	That the VAT reclaim is submitted for the period covering December 2020 to 31 March 2021.	6		
8	That the council adopts a corporate risk assessment covering all financial and reputational risks the council is exposed to with appropriate controls to manage the impact and likelihood of the risk identified.	7		
9	That the council carries out a review of the effectiveness of its internal control systems to part comply with the annual governance statement, assertion two.	7		
10	That a copy of the signed contracts of employment are retained by the council.	9		

No	Recommendation	Page Number	Responsibility	Timescale
11	That the pay is reviewed for the Village Keeper and Dog Warden in accordance with the legal requirements to comply with the legal minimum wage. Further guidance is available via the .gov website, see link: The National Minimum Wage and Living Wage - GOV.UK (www.gov.uk)	9		
12	That the council considers an asset register policy based on the guidance contained within the practitioners guide that relates to asset management and all fixed assets purchased during the financial year are added to the register.	10		
13	That the asset register includes a replacement value column to determine the replacement cost of an asset for insurance purposes.	10		
14	That the asset register includes a clear audit trail to identify the changes in the asset register value from each financial year.	10		