

Taunton Charter Trustees

Financial Year 2021-22

Year End Internal Audit Observations

Visit date:

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

No.	Audit Test	Observation	Recommendation	Priority
1	The Council, as a body, has undertaken a formal review of risk (this cannot be delegated to sub-committee) - Year End Audit	<i>The Trustees, as a body, have not formally Minuted a review of Risk during the Financial Year.</i>	It is a requirement of the Annual Governance Statement, as well as the Annual Internal Audit Report, that the Trustees have undertaken a review of Risk. As no such review has been confirmed in Council Minutes the Council must record a Negative response for Assertion 4 of the Annual Governance Statement. It will also be necessary for the Internal Auditor to give a Negative Response for Internal Control Objective C on the Annual Internal Audit Report.	Non Compliance
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



IAC Audit and Consultancy Ltd

21- June -2022

Comments

The Charter Trustees were provided with an explanation of the negative response at the meeting where they considered the Annual Governance Statement. They resolved to request a Risk Register is taken to their next meeting as part of a formal review of risk.

Comments

1	For unregistered bodies - VAT claim made covers most recent accounting year?		<i>It was noted that expenses recorded in the District Councils accounting system include VAT. It does not appear that the Trustees have submit an Unregistered Bodies VAT 126 claim for the refund of this VAT.</i>	The Council to ensure that it promptly prepares and submits a VAT claim for the 2021-22 financial year and, if necessary for the prior year.	High
H Asset and investments registers were complete and accurate and properly maintained.					
No.	Audit Test		Observation	Recommendation	Priority
1	There is a register of owned assets		<i>The Trustees have recorded a Box 9 Asset value of £142,958 which is unchanged from the prior year. It is understood that this relates to items of Civic Regalia, however a detailed listing of this regalia was not provided to the Internal Auditor.</i>	Trustees to provide a listing of the Civic Regalia included in the asset valuation.	High
I Periodic bank account reconciliations were properly carried out during the year.					
No.	Audit Test		Observation	Recommendation	Priority

Unfortunately the Charter Trustees are not automatically registered as VAT exempt and so will have to pay VAT. We have enquired with HMRC as to the process which is lengthy and complicated requiring a parliamentary order - but in the light of the ongoing CGR looking to parish Taunton this is not a priority.

Comments

This can be provided.

Comments

1	There a bank reconciliation for each account (Year End)	<i>The Trustee report under Receipts and Payments and, as such, the Box 7 value should agree to the Box 8 value. It is understood that the Trustees funds are held by the District Council, however no confirmation was provided from the District Council to confirm this. The Trustees have recorded a Nil value in Box 8 for 2021-22</i>	The Council to review the balance stated in Box 8 of the Accounting Statements. If there is cash held by the district Council, on behalf of the Trustees, this should be included in Box 8. If the difference between Box 7 and Box 8 relates to a debtors balance due from the District Council, then a confirmation of the amount owed should be obtained from the District Council.	High
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This has been amended following its
discovery as an error.