

INTERNAL AUDIT FOR STANTON UNDER BARDON PARISH COUNCIL

Date of Visit: 10th May 2017

INTERNAL CONTROL	TEST UNDERTAKEN	RESULT	TEST DATE
Proper Bookkeeping	1 Is the cashbook maintained & up to date?	YES	10-May
	Is the cashbook arithmetically correct?	YES	10-May
	Is the cashbook regularly balanced?	YES	10-May
Standing Orders & Financial Regulations and Payment controls	2 Has the Council formally adopted SOs & FRs	YES	10-May
	Has the RFO been appointed with specific duties	YES	10-May
	Have items or services above the de minimus amount been competitively purchased	YES	10-May
	Are payments in Cashbook supported by invoices, authorised & minuted	YES	10-May
	Has VAT on payments been identified, recorded & reclaimed	YES	10-May
Is S137 expenditure separately recorded & within statutory limits	YES	10-May	
Risk Management arrangements	3 Does a review of the minutes identify any unusual financial activity	NO	10-May
	Do minutes record Council carrying out an annual risk assessment	YES	10-May
	Is insurance cover appropriate & adequate	YES	10-May
	Are internal financial controls documented and regularly reviewed	YES	10-May
Budgetary Controls	4 Has the Council prepared an annual budget in support of its precept	YES	10-May
	Is actual expenditure against the budget regularly reported to Council	YES	10-May
	Are there any significant unexplained variances from the budget	NO	10-May
Income Controls	5 Is income properly recorded & promptly banked	YES	10-May
	Does the precept recorded agree to the Council Tax Authority notification	YES	10-May
	Are security controls over cash & near-cash adequate & effective	YES	10-May
Petty Cash Procedures	6 Is all petty cash spent recorded and supported by VAT invoice/receipt	Y/N	No Petty Cash
	Is Petty Cash expenditure reported to each Council meeting	Y/N	
	Is Petty Cash reimbursement carried out regularly	Y/N	
Payroll Controls	7 Do all employees have contract of employment with clear terms & conditions	NO	See Over
	Do salaries paid agree with those approved by the Council	YES	10-May
	Are other payments to employees reasonable and appro. by Council	YES	10-May
	Have PAYE/NIC been properly operated by Council as an employer	YES	10-May
Asset Controls	8 Does the Council maintain a Register of all assets owned or in its care	YES	10-May
	Are the Assets and investment registers up to date	YES	10-May
	Do asset insurance valuations agree with those in the assets register	YES	10-May
Bank Reconciliation	9 Is there a bank reconciliation for each account	YES	10-May
	Is a bank reconciliation carried out regularly and in a timely fashion	YES	10-May
	Are there any unexplained balancing entries in any reconciliation	NO	10-May
Year - end procedures	10 Are year end accounts prepared on the correct accounting basis (R & P or I & E)	YES	10-May
	Do accounts agree with the cash book	YES	10-May
	Is there an audit trail from the underlying financial records to the accounts	YES	10-May
	Where appropriate, have debtors & creditors been properly recorded	YES	10-May

**COMMENTS/RECOMMENDATIONS RESULTING
FROM THE INTERNAL AUDIT**

COMMENTS/NOTES

Section 7. The Clerk was classed as self employed, but the Inland Revenue have vetoed this arrangement and tax and N.I. is now deducted, but she still does not have a Contract of Employment.

During the review the Council demonstrated that it has fulfilled its obligations with regard to budget planning, risk assessment, insurance and its statutory obligations towards its staff.

A review of the minutes and raw documents has not revealed any unusual financial activity.

Variences on the Annual Return can be fully explained.

RECOMMENDATIONS

NONE

I hereby declare that the Internal Audit has been carried out according to published guidelines and has been conducted in an independent and objective manner

Kevin Shaw
Internal Auditor



Date: 11th May 2017