WHITTINGHAM PARISH COUNCIL

Internal Audit 2018-2019

	Control Objectives	Agreed?	Evidence
A	PROPER BOOKKEEPING	Yes.	The Clerk maintains computerised cash book, which is updated monthly and reported to Committee on a quarterly basis along with a comparison of progress against budget. The cash-book is arithmetically correct and regularly balanced. The Council has formally adopted standing orders (approved 11/12/2017) . Financial Regulations were formally adopted (approved 8th January,2018.} Items and services have been competitively purchased For each payment, the accounts record the payee, date approved, cheque number, minute number, expenditure type and gross amount paid. For receipts, the precept, VAT., and other income are itemised in the accounts. The Councils financial regulations have been met, payments supported by invoices, expenditure approved and VAT., appropriately accounted for. The regulations require each payment to be authorized by the Council and minuted. Cheques require two signatures. (2 Councillors). The cheque counterfoil should be initialed by the Councillors. Where possible, invoices should be approved for payment at the next available parish meeting.

	Control Objectives	Agreed?	Evidence
			A selective assessment of five payments has been checked for compliance with the Councils financial regulations.

DATE	PAYEE	INVOICE AMOUNT	RECORDED in A/cs	VAT	MINUTED	CHQ. STUB INITIALLED
14/5/18	Preston C.C.	£108.00.	Yes	Nil	15/18	Yes
09/7/18	Barton Grange.	£390.00	Yes	£65.00.	44/18	Yes
08/10/18	Envirocare.	£288.00.	Yes	£48.00.	76/18	Yes.
14/01/19	E.O.N.	£33.00.	Yes	£1.58.	123/19	Yes.
11/02/19	Lancs. C. C.	£3956.40.	Yes	£659.40.	140/19	Yes

	Control Objectives	Agreed?	Evidence
			S137 expenditure is separately recorded and within statutory limits.
B	RISK MANAGEMENT	Yes.	The Council maintains a comprehensive risk management policy statement which is reviewed annually. A review of the minutes does not reveal any unusual financial activity. Insurance cover is appropriate and adequate Internal financial controls are appropriate, adequate, documented and regularly reviewed.
C	BUDGETARY CONTROLS	Yes	The annual precept for 2018/19 was based on a comprehensive budget.

	Control Objectives	Agreed?	Evidence
			Expenditure for 2018/19 was in line with this budget. The Clerk has reported progress against budget to the Council on a quarterly basis. Reserves at the year-end were £95,684. .as opposed to the b/f of £113,161, and are appropriate. There are no significant variations from the budget.
D	INCOME CONTROLS	Yes.	The Council's financial regulations require receipts to be banked within five working days and to be entered in the cash book. It is noted that the precept will be paid by BACS., for 2019/2020. The Council submits a VAT., return annually and the 2018/19 claim was submitted, in April 2019. Again this is paid in by BACS. Expected income was fully received based on correct prices,properly recorded and promptly banked and VAT., was accounted for.

	Control Objectives	Agreed?	Evidence
			The precept recorded agreed with the Council Tax authority's notification.
E.	PETTY CASH PROCEDURES.	Yes	The Council does not have petty cash as such. The Clerk keeps a record of all expenses incurred on Parish Council business and reclaims the amount periodically. Petty Cash payments were supported by receipts, expenditure was approved and VAT., accounted for.
F	PAYROLL CONTROLS.	Yes.	The Clerks salary is paid in accordance with NALC., pay scales, and he has a contract of employment. NI., and PAYE., is calculated using HMRC., software. PAYE., and Employees NI., are deducted at source and paid to HMRC., quarterly along with Employers Ni.. Salaries to employees and allowances to members are paid in accordance with the Council approvals and PAYE., and NI., were properly applied.
G	ASSET CONTROLS.	Yes	

	Control Objectives	Agreed?	Evidence
			Asset register was complete and accurate and properly maintained. Asset insurance variations agree with those in the asset register
H	BANK RECONCILIATION	Yes.	Year-end accounts have been prepared on a receipts and payments basis and agree to the cash book. The Clerk has maintained a well organised file, which along with the Councils minutes provide a full audit trail. Balances at 31/3/19 reconcile to the accounts. The b/f was ~~£113,161~~ The balance at 31/3/19., is ~~£95,684~~. 2018 Figs Quoted. £95,684 £142,932 = 2019 Figs. The Clerk reconciles the accounts to the bank statements on e regular basis. Bank reconciliations as at 30/6/18, 30/9/18, 31/12/18 and 31/3/19 are held on file. The Clerk has produced a statement of variances to submit with the accounts to the external auditor.
I	YEAR END PROCEDURES	Yes.	Year-end accounts were prepared on the correct accounting basis (receipts and payments/income and expenditure) agreed with the cash book, were supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded. The Clerk ha maintained a well organised file, which along with the Councils minutes provides a full audit trail..

	Control Objectives	Agreed?	Evidence
j	TRUST FUNDS	N/A	Whittingham Parish Council is not a Trustee.

Internal Auditor L Slade

Len Slade, 9th May,2019.