

Internal Audit

Lane End Parish Council

17 May 2019

Summary Checklist

Accounting Records		
Accounts in balance?	YES	Examined bank statements of both accounts held by the Council
Cash Book maintained and up to date?	YES	Document shows entries made on a regular basis.
Cash book arithmetically correct?	YES	Example lines checked.
Evidence of internal control?		Budget monitoring at every meeting. Internal audit. Cheques require two member's signatures.
Payments authorised and minuted?	YES	Cheque stubs signed. Expenditure minuted at PC meetings. Bank Mandate not available to view but clerk has viewed in the past year.
S137 expenditure separately recorded and within statutory limits?	N/A	N/A
137 expenditure of direct benefit to the electorate?	N/A	N/A
VAT evidence, recording and reclaimed?	YES	VAT return examined. VAT detail report is comprehensive.
Bank accounts reconciled?	YES	Examined monthly bank reconciliations. Annual reconciliation prepared as part of this internal audit (attached).
Is all petty cash spent recorded and supported by VAT receipts where applicable?	N/A	The Council does not have a petty cash float. Any authorised business expenditure paid by the Clerk personally is submitted for reimbursement, supported by receipts/invoices. Minuted at PC meetings.
Payroll		
PAYE/NI evidence?	YES	HMRC documentation confirms payments.
Has Council approved the salary paid?	YES	Clerk salary noted in PC minutes.

Corporate governance		
Standing Orders and Financial Regulations applied?	YES	FR and SO documents updated December 2016.
List of member's interests held?	YES	On website.
Agendas available with 3 days notice?	YES	Unable to see publication date but comprehensive collection of agendas and minutes available on website.
Risk Management		
Risk register up to date?	YES	Updated May 2019.
Bank Mandate up to date?	YES	Clerk has checked mandate in the last year.
No unusual financial activity identified in the meeting minutes?	YES	Minutes are prepared for all meetings of Council, which meets monthly. No unusual financial activity was found in the minutes scanned.
Asset Control		
Asset register up to date?	YES	Asset register updated to the end of the financial year.
Year-End Procedures		
Year-end accounts prepared on correct accounting basis?	YES	Accounts are prepared on a Receipts & Payments basis.
Do accounts agree with cashbook?	YES	Checked.
Underlying financial trail from records to presented accounts?	YES	Cashbook document checked.

Recommendation

It would be prudent for the Financial Regulations and Standing Orders to be reviewed annually.

Conclusion

I am pleased to conclude that, in the areas examined, the accounts and other records of the Council are maintained to a very satisfactory level.



Sarah Long 17/05/2019