

Heck Parish Council Internal Audit – Year end 31 March 2019

1. Accounts:

- a) Have the appropriate books of account been properly kept throughout the year?
YES/~~NO~~.
 - b) On what basis – receipts/payments; ~~income/expenditure~~?
 - c) Is the cash book reconciled at least once a quarter? YES/~~NO~~ *Monthly*
 - d) Is there a clear record of the end of year statement & EoY bank reconciliation? YES/~~NO~~
 - e) Is VAT shown separately? YES/~~NO~~. Has VAT been requested recently? ~~YES/NO~~ *due to do*
 - f) Are all account balances shown – current; savings etc? YES/~~NO~~
 - g) Are reserves/balances appropriate? YES/~~NO~~
 - h) Does the received income match the expected income? YES/~~NO~~. If not, why not?
.....
 - i) Do the financial procedures re receipt of money ensure correct recording and prompt banking of any money received? YES/~~NO~~. If 'NO' why not?
.....
 - j) If applicable is VAT on income accounted for? N/A. ~~YES/NO~~
 - k) Are payments supported by invoices? YES/~~NO~~.
 - l) Are transactions supported by an adequate audit trail? YES/~~NO~~
 - m) Was expenditure properly approved before and after action? YES/~~NO~~ *Approved at meeting*
- (A sample check of agendas and minutes will be carried out to check i) and j)
- n) Petty cash – is any kept? ~~YES/NO~~. If 'YES' how is this recorded
..... and is there a proper system of invoices and payments for any petty cash used? ~~YES/NO~~ *N/A*
 - o) Expenses – are these, councillors and employees, properly recorded with invoices and receipts, approved by council and paid in accordance with council policy? YES/~~NO~~. Is VAT on expenses accounted for properly? YES/~~NO~~
 - p) Do members check the accounts at least twice a year? YES/~~NO~~. *Every Bi-Monthly Meeting*
 - q) If council has a separate Finance Committee how often does it report back to full council?*N/A*.....

2. Standing Orders and Financial Regulations

- a) What systems does the council have for updating Standing Orders and Financial Regulations?*Reviewed Annually updated as and when from YLCA*
- b) Are these regulations met? YES/~~NO~~
- c) Has the council taken into account the revised S.O. and Fin. Regs? *Yes*

3. Risk Assessment

- a) Financial risks – have possible financial risks been listed? YES/~~NO~~
- b) What procedures have been taken to minimise any possible financial risk?
.....*Revised when appropriate, 2 x signatures on cheques documented in minutes of meeting*
- c) Other risks – have other risks been listed? YES/~~NO~~

- d) What procedures have been taken to minimise risks other than financial?
*Monthly Play area and green inspection; annually by ROSPA*
- e) Is there sufficient management of risk? YES/~~NO~~

4. Internal Control and Audits

- a) Has the council undertaken a review of internal control and audits? YES/~~NO~~
- b) Is/are there any specific point/s that the clerk, RFO or council has requested to be looked at by the internal auditor? ~~YES~~/NO
- c) If 'YES' give brief details

6. Budgeting

- a) Has the council budgeted in a clear and adequate manner? YES/~~NO~~
- b) What checks are in place to ensure the correct precept has been received?
*Check remittance against what has been requested*
- c) Does the clerk or RFO report to council regularly to give progress reports on expenditure versus budget? YES/~~NO~~ *Bi-Monthly*

7. Employees

- a. Is there a clear minute and contract detailing employee(s) conditions and pay and is/are the employee(s) paid by to those decisions? YES/~~NO~~ *Hard copy in the Parish Room*
- b. Is there an appointed Responsible Financial Officer with duties clearly listed in Financial Regulations or elsewhere? YES/~~NO~~
- c. HMRC – Is the council registered with HMRC as an employer? YES/~~NO~~
- d. Have PAYE and NI payments been made by the council? YES/~~NO~~
- e. Pensions – Has the council registered with the Pensions Regulator? YES/~~NO~~
- f. Has the council selected a suitable pension provider scheme? ~~YES/NO~~ *Not taken up*

8. Assets and Investments

- a) Is there a list of assets and investments that is checked/modified at least yearly?
 YES/~~NO~~
- b) Does the list of assets agree with the insurance details? YES/~~NO~~

9. Insurance

- a) Is the insurance in order and the correct items covered? YES/~~NO~~
- b) Is there sufficient cover provision? YES/~~NO~~ £...10m.....
- c) What is the council's procedure for reviewing insurance? *Most competitive from 3 quotes for the right cover.*

10. Additional items to check procedures


- I. Is there a clear separate list of S137 payments, showing the initial allowance and amount remaining? YES/~~NO~~
- II. Is there a record of debtors and creditors – sums owed to the council and outstanding payments from the council? ~~YES/NO~~/NA

- III. Are the minutes signed and dated correctly? YES/~~NO~~. When and how are minutes verified?*Agreed and signed at the following meeting*
- IV. Does the Council act as sole trustee for any charities? ~~YES~~/NO. If so, who are the charities and what representation does the Council have?
- V. How many councillors are to sign cheques? ... 2 Are the cheque book stubs initialled? YES/~~NO~~ *but not all*
- VI. Has an annual review of the internal audit's effectiveness been completed? YES/~~NO~~
- VII. Has Annual Governance Section 1 been completed and signed by the chairman? ~~YES~~/NO *next meeting*
- VIII. Are the figures on section 2 correct? YES/~~NO~~
- IX. Has the Annual Return Bank Reconciliation been done? YES/~~NO~~
- X. Are the figures correct/reconcile with section 2? YES/~~NO~~
- XI. Has the Explanation of Variances been completed? YES/~~NO~~
- XII. Are the figures, including the variance percentages, correct? YES/~~NO~~

11. Lawful Compliance

- a. What is the first item on the agenda of the Annual Meeting of the Parish Council? *Election of Chairman*
- b. Are all agenda items clearly detailed and marked for resolution or information? Y/~~N~~
- c. Does the awarding of contracts comply with the Financial Regulations requirements? YES/~~NO~~
- d. Has the Council approved the use of delegated powers? YES/~~NO~~. If so, to whom and for what?*Clerk can write cheques, obtain signatures between meetings and request quotes for work to be undertaken on behalf of Parish Council. The clerk can also submit planning objections on behalf of the council*
- e. Is the Council eligible to use the General Power of Competence? ~~YES~~/NO
- f. Has any spending been ultra vires? ~~YES~~/NO. If 'yes' why?
- g. Does the Council have a: -
 - Complaints procedure. YES/~~NO~~.
 - Freedom of Information Publication policy. YES/~~NO~~
 - Recording of Meetings policy. YES/~~NO~~
 - Co-option procedure. YES/~~NO~~
 - Public Question Time procedure. YES/~~NO~~
- h. Has the Council, if appropriate, taken the necessary action to ensure compliance with the publishing requirements of the Openness and Transparency Regulations? YES/~~NO~~ *Website / Notice boards*
- i. What steps, if appropriate, has the Council taken to comply with the Transparency Code requirements? (Council laptop (yes); printer (yes); website(yes))

Any comments on the annual return form from the internal auditor YES/~~NO~~ and external auditor YES/~~NO~~? If so, have these been dealt with satisfactorily? Internal YES/~~NO~~. External YES/~~NO~~ n/a

Signed:  Internal Auditor. Date: 14th May 2019