

9. Payroll controls *(PAYE and NIC in place; Compliance with Inland Revenue procedures; Records relating to contracts of employment)*

9.1 PAYE is operated in accordance with HMRC regulations. PAYE payments have been made to HMRC in the year, where appropriate. The P60 End of Year Certificate for the present Clerk was presented to Internal Audit.

10. Asset control & valuation *(Inspection of asset register and checks on existence of assets; recording of fixed asset valuations; cross checking on insurance cover).*

10.1 An Asset Register is in place. The Register displays a total value of £20,652 as at 31 March 2018 (unchanged from the value as at the end of the previous year, 31 March 2017).

10.2 The Asset Register complies with the current requirements which provide that each asset should be recorded at a consistent valuation, year-on-year. The Register displays assets at purchase cost or, where the original purchase price is unknown, a proxy value is recorded which will remain unchanged until disposal.

11. Bank Reconciliation *(Regularly completed and cash books reconcile with bank statements)*

11.1 The bank statements for the HSBC Treasurers Account and the HSBC Money Manager Account (as at 31 March 2018) reconciled with the accounting information and agreed with the overall Bank Reconciliation.

11.2 The Council demonstrates good financial practice by considering and agreeing a Bank Reconciliation at each meeting of the Council.

12. Year End procedures *(Regarding accounting procedures used and can be followed through from working papers to final documents. Verifying sample payments and income. Checking creditors and debtors where appropriate).*

12.1 End-of-year Accounts are prepared on a Receipts and Payments basis and were in good order. Sample audit trails were undertaken and were found to be in order.

13. Internal Audit Procedures *(That the Council has satisfactory internal financial controls in place and any previous recommendations implemented).*

13.1 The Council has satisfactory internal financial controls in place. The Clerk/RFO provides financial reports to Council meetings, including bank balances and details of reserves held. Details of payments to be made are presented to Council for approval. The Clerk/RFO ensures that Councillors are provided with information to enable them to make informed decisions.

13.2 Cheque Book counterfoils are not being initialled by cheque signatories. In addition, payments are not listed in the Council's Minutes (payments are referred to as being on an attached list but the list is not published on the Council's website).

Recommendation:

- (a) To strengthen the Council's internal financial control arrangements, Cheque Signatories should initial all cheque book counterfoils, as well as each invoice/voucher for payment, to confirm the correctness of the payment being made;
- (b) Payments should be listed in the Council's Minutes (or the list detailing the payments should be published on the website) in order to enhance the Council's overall transparency and financial control framework.

13.3 The Internal Audit report for the previous year (2016/17) was undertaken by Mr Nick Lee and was reported to Council at its meeting on 22 June 2017 (Minute 9 refers). No matters of concern had been raised.

13.4 The Council confirmed the appointment of the Internal Auditor for the 2017/18 year at its meeting on 17 May 2018 (Minute 10 refers).

14. External Audit (*Recommendations put forward or comments made following the annual review*)

14.1 The report and certificate by the External Auditors BDO LLP for the previous year (2016/17) was approved and accepted by the Council at its meeting on 21 September 2017 (Minute 13 refers). The External Auditors had raised no matters of concern.

15. Additional Comments

15.1 The Annual Parish Council meeting was held on 18 May 2017, within the required timescale. The first item of business was the Election of Chairman, in accordance with the Local Government Act 1972.

15.2 I would like to record my appreciation to the Clerk to the Council for her assistance during the course of the audit work.

Trevor Brown

Trevor Brown, CPFA

Internal Auditor

29 May 2018