

Internal Audit Check

Upwood and the Raveleys Parish Council – y/e 31 March 2017

A Appropriate books of account have been properly kept throughout the year

Check cash book properly written up and balanced	Cash book kept on spreadsheet. January 2017 entries chosen for detailed review	1
Verify selection of items against bank statement	January items verified	1

B The Council's Financial Regulations have been met

Standing Orders formally adopted and correspond to the latest good practice	No change	1
Financial Regulations formally adopted and correspond to the latest good practice	Financial Regulations currently do not correspond to the latest model. RFO will arrange for new regulations to be adopted	2
RFO appointed and clear duties listed	Clerk is RFO	1
Check selection of large or unusual purchases to ensure FRs followed	None over £1,000	1

B Payments were supported by invoices, expenditure was approved and VAT properly accounted for

Check selection of payments to ensure properly authorised.	Payments approved 9 January 2017	1
Check vouchers relating to above	Vouchers in order	1
Check VAT has been properly accounted for (for income, see below)	Analysed in cash book	1
Additionally check random selection of large payments in cash book	None over £1,000	1
If electronic banking is used ensure that proper procedures are in place as provided for in the new model Financial Regulations.	Clerk has explained system of internet banking which conforms to Financial Regulations	1
Check any s137 for amount, validity	None	1

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Check VAT reclaim(s) during the year or, if Council is registered, check that VAT returns correspond with the underlying records.	One claim at year end	1
C The Council assessed the significant risks to achieving its objectives and had adequate arrangements to manage these		
Formal risk assessment documents available for inspection	Council has adequate documentation. Note that risks are not formally scored but this is probably not necessary given the size of the parish.	1
Do the minutes record the council carrying out an annual risk assessment?	Reviewed May 2016	1
Is the insurance cover appropriate and adequate – see also H below	Standard policy via Came and Company	1
Are internal financial controls documented and reviewed?	Financial Regulations cover tis	1
D The annual precept requirement resulted from an adequate budgetary process		
Has the Council prepared an annual budget in support of its precept?	Council approved budget 2 November 2015 following report of Finance Committee. It is good practice to file a signed copy of the adopted budget with the minutes of the meeting.	1
Is the precept based upon realistic assumptions including evaluation of required balances?	Precept properly set at the above meeting. Break even budget set.	1
D Progress against the budget was regularly monitored and reserves were appropriate		
Review existence and adequacy of budgetary reports	Regular reports of progress against budget presented to each meeting	1
Are there any significant unexplained variances?	None	-
E Expected income was fully received, based upon correct prices, properly recorded and promptly banked; and VAT was properly accounted for		
Precept paid as requested and banked properly	Precept paid by BACS 26 April 2016	1

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Is other income properly accounted for and are adequate procedures in place?	Cemetery visited and three internments (Rossin, Mcarthur and Sisman) checked for payments received. All in order	1
If appropriate, is the Council VAT registered and, if so, is VAT being properly charged?	Not registered	-
F Petty cash payments were properly supported by receipts, expenditure was approved and VAT properly accounted for		
Is all petty cash expenditure supported by VAT receipts?	None	-
Is petty cash expenditure regularly reported back to the Council?		
Is reimbursement carried out regularly?		
G Salaries to employees and allowances to members were paid in accordance with council approvals		
Do all employees have properly drawn up contracts of employment?	Contract of employment is standard form	1
Has the Council approved all salaries and do payments correspond with these decisions?	Clerk salary increased by one point following appraisal. Change approved by Council 5 September 2016. All salary payments approved by Council	1
Are other payments (e.g. expense payments) reasonable and properly approved?	All properly approved	1
G PAYE and NI requirements were properly applied		
Check PAYE and NI. Alternatively, if a bureau is used, check the records of payments.	HMRC software	1
Check end of year returns or, if a bureau is used, check that the documentation is in order.	As above	1
H Asset and investment registers were complete and accurate and properly maintained		
Does the Council have an Asset Register and is it regularly maintained?	Yes. Copy available on website	1
Ensure assets purchased during year (see minutes) are recorded	Speedwatch equipment was purchased during the year. Although the cost was shared, the full value has been added to the asset register value	1

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Do asset insurance values correspond to values in the asset register?	Insured values reviewed and adequate (2% index linking)	1
I Periodic and year-end bank account reconciliations were properly carried out		
Check for regular (monthly / quarterly) bank reconciliations for all accounts	Monthly reconciliations all approved by the Council	1
Are reconciliations accurate and do they contain no unexplained items?	No issues	1
Are investments recorded on the reconciliations?	None	
J Year-end accounts were prepared on the correct accounting basis, agreed with cash book, were supported by an adequate audit trail from underlying records		
Are year-end accounts produced on the correct basis R&P or I&E)?	R&P	1
Verify accounts to cash book	Verified	1
Is there an audit trail from underlying financial records to the accounts? (I&E only)	N/A	-
Verify debtors and creditors (I&E only)	N/A	-

Levels of assurance: 1 – high, 2 – substantial, 3 – limited, 4 – minimal, n/c – not covered at this visit

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