

Internal Audit Check

Burrough Green Parish Council – y/e 31 March 2016

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

Check cash book properly written up and balanced	Cash book on spreadsheet. About 35 entries for the full year. Cheques 634-640 (October-January) chosen for analysis.	1
Verify selection of items against bank statement	Above entries verified	1

B The Council's Financial Regulations have been met

Standing Orders formally adopted and correspond to the latest good practice	No change from previous year	1
Financial Regulations formally adopted and correspond to the latest good practice	As above	1
RFO appointed and clear duties listed	VB is Clerk and RFO. Note that from March 2015-September 2015 VB was on maternity leave and her position was taken by an interim Clerk.	1
Check selection of large or unusual purchases to ensure FRs followed	None	-

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

Check selection of payments to ensure properly authorised.	All payments authorised at appropriate council meetings	1
Check vouchers relating to above	All seen and in order	
Check VAT has been properly accounted for (for income, see below)	VAT analysed in cash book	1
Additionally check random selection of large payments in cash book	None	-
If electronic banking is used ensure that proper procedures are in place as provided for in the new model Financial Regulations.	N/A	

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Check any s137 for amount, validity	None recorded	-
Check VAT reclaim(s) during the year or, if Council is registered, check that VAT returns correspond with the underlying records.	Claim prepared but not yet submitted	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	As previous years	1
Do the minutes record the council carrying out an annual risk assessment?	Reviewed July 2014	1
Is the insurance cover appropriate and adequate – see also H below		
Are internal financial controls documented and reviewed?	Risk assessment covers this	
D The annual precept requirement resulted from an adequate budgetary process		
Has the Council prepared an annual budget in support of its precept?	Budget set at meeting November 25 th , 2014.	1
Is the precept based upon realistic assumptions including evaluation of required balances?	Precept unchanged. Reserves are building up and it is important that the Council has plans to spend them.	1
D Progress against the budget was regularly monitored and reserves were appropriate		
Review existence and adequacy of budgetary reports	Reports presented to each meeting.	1
Are there any significant unexplained variances?	None	1

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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	1
Is other income properly accounted for and are adequate procedures in place?	Small amounts in grants / donations	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?	No change in employment contract	1
Has the Council approved all salaries and do payments correspond with these decisions?	No changes	1
Are other payments (e.g. expense payments) reasonable and properly approved?		

G PAYE and NI requirements were properly applied

Check PAYE and NI records including P11, P46 or P45, notices of coding, etc. Alternatively, if a bureau is used, check the records of payments.	Payroll operated by SALC	1
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Check end of year returns including P35, P14 or, if a bureau is used, check that the documentation is in order.	SALC deal with these	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?	Asset register seen and is verified by Clerk	1
Ensure assets purchased during year (see minutes) are recorded	None, but one piece of equipment disposed f	1
Do asset insurance values correspond to values in the asset register?		
I Periodic and year-end bank account reconciliations were properly carried out		
Check for regular (monthly / quarterly) bank reconciliations for all accounts	All carried out and initialled by Chairman	1
Are reconciliations accurate and do they contain no unexplained items?	None	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	Some minor errors corrected. Otherwise no issues	1
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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