

Internal Audit Check

Burrough Green Parish Council – y/e 31 March 2018

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

Check cash book properly written up and balanced	Kept on simple spreadsheet. Fourth quarter entries selected	1
Verify selection of items against bank statement	All in order	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	No change	1
RFO appointed and clear duties listed	Clerk is RFO	1
Check selection of large or unusual purchases to ensure FRs followed	Largest expense was bus shelter repairs. Three quotes received. Lowest accepted	1

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

Check selection of payments to ensure properly authorised.	Approved at March meeting	1
Check vouchers relating to above	Invoices in order	1
Check VAT has been properly accounted for (for income, see below)	Analysed in separate column	1
Additionally check random selection of large payments in cash book	JBL for bus shelter in order	1
If electronic banking is used ensure that proper procedures are in place as provided for in the new model Financial Regulations.	N/A	-

Internal Audit Check

Burrough Green Parish Council – y/e 31 March 2018		
Check any s137 for amount, validity	A number of donations were made including one to the PCC. SALC advise that this is legal (although there is a very recent NALC LTN on the matter).	1
Check VAT reclaim(s) during the year or, if Council is registered, check that VAT returns correspond with the underlying records.	VAT received for previous year	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	RA documentation regularly reviewed	1
Do the minutes record the council carrying out an annual risk assessment?	Reviewed at annual meeting	1
Is the insurance cover appropriate and adequate – see also H below	Standard PC insurance cover	1
Are internal financial controls documented and reviewed?	FRs cover this	1
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 28 November 2016	1
Is the precept based upon realistic assumptions including evaluation of required balances?	Seems appropriate	1
D Progress against the budget was regularly monitored and reserves were appropriate		
Review existence and adequacy of budgetary reports	Six monthly review. I would suggest that it would be appropriate for such a review to include Budget and Actual year to date. In addition, it can include a forecast to the year end compared to the budget. See Governance and Accountability, especially 5.7-5.9	1
Are there any significant unexplained variances?	None identified	1

Internal Audit Check

Burrough Green Parish Council – y/e 31 March 2018

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	Paid by BACS	1
Is other income properly accounted for and are adequate procedures in place?	Nothing significant	1
If appropriate, is the Council VAT registered and, if so, is VAT being properly charged?	Council is not VAT 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	1
Has the Council approved all salaries and do payments correspond with these decisions?	Proper discussion of salaries took place	1
Are other payments (e.g. expense payments) reasonable and properly approved?	All payments approved by the council	1

G PAYE and NI requirements were properly applied

Check PAYE and NI. Alternatively, if a bureau is used, check the records of payments.	Payroll managed by SALC	1
Check end of year returns or, if a bureau is used, check that the documentation is in order.	As above	1

Internal Audit Check

Burrough Green Parish Council – y/e 31 March 2018

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. Approved at March 2016 meeting	1
Ensure assets purchased during year (see minutes) are recorded	Defibrillator added	1
Do asset insurance values correspond to values in the asset register?	These seem adequate	1

I Periodic and year-end bank account reconciliations were properly carried out

Check for regular (monthly / quarterly) bank reconciliations for all accounts	Minutes record regular reconciliations 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)		-
Verify debtors and creditors (I&E only)		-

Internal Audit Check

Burrough Green Parish Council – y/e 31 March 2018

K Charitable funds

It has recently been discovered that the Council is the leaseholder of the Reading Room. This is a registered charity (281870) and is managed by a committee of trustees. The charitable funds are kept separate although the Council has recently agreed to take over some of the maintenance, repairs and insurance of the building. I do not consider that this relationship requires disclosure in box K

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

Michael Williamson
MiJan Ltd
The Willows, Long Drove
Waterbeach, Cambridge CB25 9LW
Tel: 01223 860899
Mob: 07836 74858
Registered in England. Company number 1788401