

INTERNAL AUDITOR'S REPORT ON SAMPFORD ARUNDEL PARISH COUNCIL FOR THE YEAR ENDED 31 MARCH 2018

I have examined the financial and business records of Sampford Arundel Parish Council for the financial year 2017/18. The Parish Clerk provided all of the council's financial and business records for inspection and answered questions as required.

These records have been reviewed against the council's adopted Standing Orders (2017) for compliance and accuracy. All financial records were found to be compliant with the council's 'financial regulations' (within the Standing Orders) and generally met the requirements of 'Governance and Accountability for Smaller Authorities in England (Practitioners' Guide)'. The council minutes were reviewed and provided a reasonable record of the council's business.

The Internal Audit section of the AGAR was completed and signed. All questions were annotated as Yes or Not Applicable.

Internal Financial Controls and Risk Assessment (see Footnotes)

Ledger

Is the ledger (manual or electronic) maintained and up to date?	YES	NO
Is the ledger available for inspection by all councilors?	YES	NO
Is the ledger regularly balanced and checked against the latest bank statement?	YES	NO

Standing Orders

Has the Council adopted Standing Orders?	YES ¹	NO
Does the Responsible Financial Officer have specified duties?	YES	NO
Are items above a de minimus amount (£1000) specified as subject to competitive tendering?	YES ²	NO

Expenditure and Income

Is each item of expenditure supported by an invoice and/or receipt?	YES	NO
Is each payment or grant receipted?	YES	NO
Is VAT itemised separately in the ledger and supported by a VAT receipt?	YES	NO
Is S137 expenditure (grant) separately recorded and within statutory limits?	YES ³	NO
Are cheques always signed by two authorised signatories?	YES	NO
Are cheque stubs dated and signed by the same signatories?	YES	NO
Are payslips checked and signed to ensure accuracy of salary and PAYE payments?	YES	NO ⁴
Is there access to online banking for the purpose of checking the account?	YES	NO
Can payments be made through online banking?	YES	NO
Does the council authorise the use of a debit or credit card?	YES	NO
Are transactions above £100 reported in each minute and at the Annual Parish Meeting?	YES	NO

Risk Management

Are debtors identified and the appropriate action taken?	YES	NO
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¹ The Standing Orders include a small number of 'financial regulations'. I recommend that

² The Standing Orders state: *Financial Regulations shall confirm that a proposed contract for the supply of goods, materials, services and the execution of works with an estimated value in excess of £1,000 shall be procured on the basis of a formal tender.* This procedure does not appear to have been followed for the proposed purchase of a defibrillator (Nov 17 Minutes).

³ Section 137 expenditure should be formally recorded in the Agenda and Minutes.

⁴ The Financial Record is signed in lieu of a payslip.

Do the minutes record financial transactions, of both expenditure and income?	YES	NO
Is any unusual variance in expenditure or income noted and investigated?	YES	NO
Are reconciliations presented to the Council at least twice yearly?	YES	NO
Is insurance cover provided and adequate?	YES	NO
Does the council prepare an annual budget in support of its precept?	YES	NO
Does the council check progress against the budget at least once each year?	YES	NO

Banking

Is income promptly recorded and banked?	YES	NO
Does the Council hold cash?	YES	NO

Salaries

Do salaries agree with that approved by Council?	YES	NO
Are other payments to any employee appropriate, reasonable and approved by Council?	YES	NO
Are PAYE payments made in accordance with statute and in-line with the payslip?	YES	NO

Assets

Does the Council maintain an up to date register?	YES	NO
Does the Council minute any deletions?	YES	NO
Is the condition of the assets monitored at least annually and appropriate action taken?	YES	NO

Investments

Does the Council have any investments?	YES	NO
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Year-End Procedures

Are year-end accounts prepared in accordance with guidance and statute?	YES	NO
Are the accounts subject to an annual internal audit at the year-end?	YES	NO
Is the Annual Return carried out in accordance with statute?	YES	NO
Is there a period for the public to inspect the accounts after year-end closure?	YES	NO

This concludes the internal auditor's report for Sampford Arundel Parish Council for year ending 31 March 2018. Overall, the accounts and other records of the Council are maintained to a satisfactory level and this report reflects positively on the standard of work of the Clerk.

Jill Wardle
20 June 2018