

INTERNAL AUDIT CHECKLIST FOR WILLINGTON PARISH COUNCIL FOR THE YEAR ENDING 31st MARCH 2019

Further to the Internal Audit of Accounts I carried out on 6th June 2019 I confirm that the annual audit was carried out in accordance with the suggested approach contained in the "Governance and Accountability for Smaller Authorities in England – A Practitioners' Guide to Proper Practices to be applied in the preparation of statutory annual accounts and governance statements - March 2019". Page 3 of the 2018/19 AGAR form has been signed off accordingly.

Signed Brian Wood DMA

Date 6th June 2019

| 1. Book Keeping | | | Comments |
|-----------------|---|-----|----------|
| 1.1 | Ledger maintained and up to date? | Yes | |
| 1.2 | Arithmetic correct? | Yes | |
| 1.3 | Evidence of Internal Control? | Yes | |
| 1.4 | VAT evidence, recording and reclaimed? | Yes | |
| 1.5 | Payments in ledger supported by invoices, authorised and minuted? | Yes | |
| 1.6 | S137 separately recorded and within limits? (x £7.86) | Yes | |
| 1.7 | S137 expenditure of direct benefit to electorate? | Yes | |

1.1-1.7 have a qualified "Yes" because only 75% of the transactions recorded in the Bank Statements have invoice/ voucher documentation and all payments are recorded in the Minutes.

| 2. Due Process | | | Comments |
|----------------|---|-----|----------|
| 2.1 | Standing Orders adopted since 2010? | Yes | |
| 2.2 | Standing Orders reviewed at annual meeting? | Yes | |
| 2.3 | Financial Regulations adopted? | Yes | |
| 2.4 | FRs properly tailored to council? | Yes | |
| 2.5 | Equal Opportunities policy adopted? | Yes | |
| 2.6 | RFO appointed? | Yes | |
| 2.7 | List of member interests held? | Yes | |
| 2.8 | Agendas signed, informative and displayed with 3 clear days' notice | Yes | |
| 2.9 | Purchasing authority defined in FRs? | Yes | |
| 2.10 | Legal powers identified in minutes and/or cashbook? | Yes | |
| 2.11 | Committee terms of reference exist and have been reviewed for the six Committees. | Yes | |
| 2.12 | Council/Councillors contact details on line | No | |
| 2.13 | Privacy Policy on website? | No | |

| 3. Risk Management | | | Comments |
|---------------------------|--|-----|-----------------|
| 3.1 | Does scan of minutes reveal any unusual activity? | No | |
| 3.2 | Annual risk assessment carried out? | Yes | |
| 3.3 | Insurance cover appropriate and adequate? | Yes | |
| 3.4 | Evidence of annual insurance review? | Yes | |
| 3.5 | Internal financial controls documented and evidenced? | Yes | |
| 3.6 | Minutes initialled, each page identified and overall signed? | Yes | |
| 3.7 | Regular reporting and minuting of bank balance? | Yes | |
| 3.8 | S137 expenditure minuted? | Yes | |

| 4. Budget | | | Comments |
|------------------|---|-----|--------------------------------|
| 4.1 | Annual budget to support precept? | Yes | |
| 4.2 | Has budget been discussed and adopted by council? | Yes | |
| 4.3 | Any reserves earmarked? | Yes | Neighbourhood Development Plan |
| 4.4 | Any unexplained variances from budget? | No | |
| 4.5 | Precept demand correctly minuted? | Yes | |

| 5. Payroll – Clerk | | | Comments |
|---------------------------|--|-----|-----------------|
| 5.1 | Contract of employment? | Yes | |
| 5.2 | Tax code issued / contracted out? | Yes | |
| 5.3 | PAYE / NI evidence? | Yes | |
| 5.4 | Has Council approved salary paid? | Yes | |
| 5.5 | Other payments reasonable and approved by council? | Yes | |

| 6. Payroll – Other Staff | | | Comments |
|---------------------------------|---|-----|-----------------|
| 6.1 | Contract of employment? | N/A | |
| 6.2 | Does council have public liability cover? | N/A | |
| 6.3 | Tax code(s) issued? | N/A | |
| 6.4 | Minimum wage paid? | N/A | |
| 6.5 | Complaints procedure in place? | Yes | |

| 7. Asset Control | | | Comments |
|-------------------------|--|-----|---|
| 7.1 | Does council keep a register of all material assets owned? | Yes | |
| 7.2 | Is asset register up to date? | No | Requires review by new Clerk of the Council |
| 7.3 | Value of individual assets included? | Yes | |
| 7.4 | Inspected for risk and H & S | Yes | |

| 8. Bank Reconciliations | | | Comments |
|--------------------------------|---|-----|-----------------|
| 8.1 | Is there a bank reconciliation for each account? | Yes | |
| 8.2 | Reconciliation carried out on receipt of statement? | Yes | |
| 8.3 | Any unexpected balancing entries in any reconciliation? | No | |

| 9. Year End Procedures | | | Comments |
|-------------------------------|---|-----|-----------------|
| 9.1 | Year-end accounts prepared on correct accounting basis? | Yes | |
| 9.2 | Bank statements and ledger reconcile? | Yes | |
| 9.3 | Underlying financial trail from records to presented accounts? | Yes | |
| 9.4 | Where appropriate, debtors and creditors properly recorded? | Yes | |
| 9.5 | Has council agreed, signed and minuted sections 1 & 2 of the annual return? | Yes | |

| 10. Miscellaneous | | | Comments |
|--------------------------|--|-----|-----------------|
| 10.1 | Have points raised at the last audit been addressed? | Yes | |
| 10.2 | Has the council adopted a Code of Conduct since July 2012? | Yes | |
| 10.3 | Is eligibility for General Power of Competence properly evidenced? | N/A | |
| 10.4 | Are all electronic files backed up? | Yes | |
| 10.5 | Do arrangements for public inspection of council's records exist? | Yes | |
| 10.6 | Public Rights provision adopted ? | Yes | |
| 10.7 | Are Training records kept? | No | |

| 11. Charities | | | Comments |
|----------------------|---|-----|-----------------|
| 11.1 | Charities reported and accounted separately | N/A | |

NOTES

The Clerk and/or RFO should certify the accounts before the full council approves them.

The Notice for the public inspection period must detail that it is for a single period of 30 working days and must include the first ten days of July (i.e. 03.06 – 12.07. or 01.7 – 09.08.) and dated the day before the Inspection date.

| | | |
|-------------------------|----------------------|---------------------|
| Payee invoice check | ROSPA | Bloomin Gardens |
| Ledger date | 04.06.2018 | 31.10.2018 |
| Item/Budget heading | Play Area Inspection | Grounds Maintenance |
| Ref/cheque no. | BACS | BACS |
| Delivery evidence | Report | Maintenance |
| Payment minute ref | 133.18 | 224.18 |
| Invoice value | £252.00 | £1236.00 |
| Minute value | £252.00 | £1236.00 |
| Cheque value | £252.00 | £1236.00 |
| Bank Statement value | £252.00 | £1236.00 |
| Timely payment | Yes | Yes |
| VAT recorded | Yes (£42.00) | Yes (£206.00) |
| S137 recorded in ledger | N/A | N/A |
| S137 minuted | N/A | N/A |
| Notes | | |

| Annual Return (Page 3) | | | |
|-------------------------------|--|---------------------------|---------------------------|
| | | Year ending 31 March 2018 | Year ending 31 March 2019 |
| | | £ RESTATED | £ |
| 1 | Balances brought forward | 168774 | 155266 |
| 2 | Annual precept | 37944 | 39098 |
| 3 | Total other receipts | 23264 | 31390 |
| 4 | Staff costs | 10444 | 11972 |
| 5 | Loan interest/capital repayments | 0 | 0 |
| 6 | Total other payments | 49752 | 45864 |
| 7 | Balances carried forward | 155266 | 167918 |
| 8 | Total cash and investments | 155266 | 167918 |
| 9 | Total fixed assets and long term investments and assets | 309250 | 309250 |
| 10 | Total borrowings | 0 | 0 |
| 11 | Section 4 annual return figures completed and cross referenced | Yes | Yes |

ADDITIONAL COMMENTS

The Council has yet again been left without a Clerk due to 2 resignations of a Clerk in the past year and are in the process of getting a second locum Clerk until a new Clerk can be appointed. The position the Council finds itself in means that the only complete and accurate statement of the Council's income and expenditure comes from the Bank Statements.. That being a fact the 2018/19 Bank Reconciliation figure is confirmed as £167918.36.

The Council are recommended to carry out an Asset Register review, to hold a Training Record of all training undertaken by the Clerk and Councillors, ensure a VAT reclaim is carried out annually, the Government Stocks valuation figure is verified . It is further recommended that an Intermediate Internal Audit Review is carried out later in the year when the new Clerk has settled in.

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To
Willington Parish Council

INVOICE 55/19/77

To: Independent Internal Audit of the 2018/2019 Willington Parish Council Accounts on 6th June 2019.

| | |
|------------------------|----------------|
| Audit of Accounts | £100.00 |
| Mileage 56 miles x 60p | £33.60 |
| Total | £133.60 |

Cheque payable to B Wood at above address or Direct Debit to Nationwide Building Society Matlock Branch 07-04-36 Account No 46155164