

Annual Internal Audit Report 2017/18

BROUGHTON IN AMCUNDRENESS PARISH COUNCIL

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation during the financial year ended 31 March 2018.

The internal audit for 2017/18 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		

K. (For local councils only)	Agreed? Please choose one of the following		
	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

18/05/2018

Name of person who carried out the internal audit

CHRISTINE WILSON ON BEHALF OF MHA MOORE & SHALLEY.

Signature of person who carried out the internal audit



Date

18/5/18

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Broughton-in Amounderness Parish Council

Internal audit

Scope

The work has been undertaken in order for MHA Moore and Smalley to complete the Annual Internal Audit report on the Annual Governance and Accountability Return for Broughton in Amounderness Parish Council.

As part of the work completed, we have reviewed the Audit requirements including the risk register and have incorporated the requirements in to our conclusions.

This memorandum is provided on the basis that it is for your information only and that it will not be referred to, in whole or in part, without our prior written consent, and that we accept no responsibility to any third party in relation to it.

We have summarised below, for each control objective, the work completed and conclusion reached.

Internal control objective

Work completed and conclusion

Appropriate accounting records have been properly kept throughout the year.

Receipts and payments have been accounted for using Quickbooks software throughout the year. A budget monitoring report and bank reconciliation is prepared each month.

Going forward separate classes will be set up on Quickbooks so that income and expenditure can be allocated between projects.

This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

We have reviewed the financial regulations and consider that they are appropriate for the operation of the Council. The testing undertaken has not indicated any breaches of the regulations. A sample of expenditure items have been agreed to invoices and agreed as authorised. VAT reclaimed has been agreed to VAT as separately identified in the cash book.

In awarding grants from the Community Infrastructure Levy, we would recommend that acknowledgement of receipt of the grant is requested from the recipient and retained with the grant application.

This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

A risk register is maintained and reviewed. The implications of the Community Infrastructure Levy (CIL) have been considered in terms of ensuring the effective implementation of the Neighbourhood Plan and approval of large projects.

Chartered accountants & business advisers

 www.mooreandsmalley.co.uk

 @MooreandSmalley

 Offices in: Preston, Blackpool, East Midlands, Kendal, Kirkby Lonsdale, Lancaster, Liverpool,

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Additional information regarding control objective G

There is one member of staff on the payroll. The member of staff's salary has been correctly paid in the year in line with agreed rates and all PAYE has been paid to HMRC on time. The monthly returns to HMRC under Real Time Information have not been submitted. This has now been rectified.