

Annual Internal Audit Report 2017/18

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)	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

Name of person who carried out the internal audit

08/05/2018

F CUMRSTEY

Signature of person who carried out the internal audit

F. Cumpstey

Date

08/05/2018

ok

*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).

Livesey Parish Council

Internal audit report for the financial year ended 31st March 2018

In carrying out the internal audit I focused on the following areas:

- 1) The Parish Council operates computer spreadsheets so all sheets were checked for accuracy and formulae proved.
- 2) All figures transferred to the annual return were checked and cross referenced.
- 3) All payments were checked and appropriate invoices and payments to the Parish confirmed and checked to the payments sheet and the appropriate cheque book number.
- 4) The bank reconciliation was checked and proved to be arithmetically correct.
- 5) Copies of the bank statements were available and agreed to the closing balances in the ledger at 31st March 2018.
- 6) In checking the minutes the expenditure is reconciled monthly and a monthly report is produced for members giving the up to date position at every meeting .
- 7) All account payments are agreed by members and signed off by two councillors and minuted at the monthly meetings.
- 8) PAYE is being correctly operated and quarterly tax payments made by cheque to the Tax Authority. The basic tools tax program is operated by the clerk and budgeted and actual tax amounts are recorded.
- 9) The Parish has a precept of £16000.00 per annum, and internal controls ensure that all payments are signed off by two council members at monthly council meetings.
- 10) The Parish Council has a risk assessment schedule that is reviewed and updated on an annual basis.

In conclusion I agree that the accounts produced are materially accurate and correct to the best of my knowledge, and I have no reservations in putting the accounts forward for external audit examination.

Mr Fred Cumpstey

Internal Auditor

8th May 2018

