

Annual Internal Audit Report 2018/19

DALHAM 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 2019.

The internal audit for 2018/19 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.			NA - NO PETTY CASH
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. IF the authority certified itself as exempt from a limited assurance review in 2017/18, it met the exemption criteria and correctly declared itself exempt. (<i>"Not Covered" should only be ticked where the authority had a limited assurance review of its 2017/18 AGAR</i>)	✓		
L. During summer 2018 this authority has correctly provided the proper opportunity for the exercise of public rights in accordance with the requirements of the Accounts and Audit Regulations.			Not applicable ✓

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

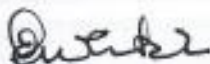
Date(s) internal audit undertaken

21/04/19

Name of person who carried out the internal audit

CATHY WHITAKER

Signature of person who carried out the internal audit



Date 21/04/19

*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).

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OBJECTIVE	INTERNAL CONTROL OBJECTIVE	COMMENTS
A	Appropriate accounting records have been properly kept throughout the financial year.	Cashbook & Income/Expenditure spreadsheets Finance Report for Transparency Code compliance with variance explanations Figures checked against AGAR Accounting Statement
B	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	Spot checks on cash book & related authorised invoices VAT claim checked
C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Financial Regulations & Standing Orders reviewed 26/7/18 Risk Assessment in place for 2018/19; reviewed 21/3/19
D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was monitored; and reserves were appropriate.	Precept & associated budget process checked 6-monthly budget reviews in place General & ear-marked reserves in place at appropriate levels & in use within budget
E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	Spot checks on cash book & related income documentation Income checked against bank statements VAT on income not applicable; VAT refund received
F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	No petty cash system in operation.
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.	Clerk salary recorded in confidential cashbook; checked against employee records PAYE and NI records in place; records checked Clerk contract & job description in place
H	Asset and investments registers were complete and accurate and properly maintained.	Detailed fixed assets register in place
I	Periodic and year-end bank account reconciliations were properly carried out.	End of Year Bank Reconciliation checked against bank statements Bank reconciliations checked against statements at council meetings
J	Accounting statements prepared during the year were prepared on the correct accounting basis, agreed to the cash book, supported by an adequate audit trail from underlying records.	Receipts & Payments. Spot checks carried out on cash book & invoices/receipt documentation.
K	IF the authority certified itself as exempt from a limited review in 2017/18, it met the exception criteria and correctly declared itself exempt.	Yes
Further Comments		Up-to-date registration certificate until 3 October 2019, pension enrolment information, insurance until 30 September 2019

Audit and report prepared by Cathy Whitaker; Finance Manager of Newmarket Town Council / Clerk of Exning Parish Council.

21/4/19

CE Whitaker