



Local Council Internal Audit Report

Year ending: 31st March 2019

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| Name of Council: | Earl Soham Parish Council |
| Income: | £18,633 |
| Expenditure: | £10,133 |
| Precept Figure: | £9,664 |
| Reserve: | £22038 |

Annual Return Completion:

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|---------------|--|
| Section One: | |
| Section Two: | |
| Section Four: | |

The following Internal Audit was carried out on the adequacy of systems of control.

The following recommendations/comments have been made:

1. Proper Book-Keeping

Cash Book, regular reconciliation of books and bank statements, supporting vouchers, invoices and receipts.

The cashbook reconciles with the year-end figures. A selection of transactions has been taken through the complete audit trail from approval in minutes, invoice, cheque book and bank statements. All were found to be in order.

Financial Regulations

Standing Orders and Financial Regulations, Tender details and conforming to 2015 Procurement Regulations, appropriate payment controls including acting within the legal framework with reference to council minutes. Identifying VAT Payments and reclamation. Cheque books, paying-in books and other relevant documents.

Standing Orders in place and last updated:

Standing Orders are up to date and last reviewed 7th March 2019

Financial Regulations in place and last updated:

Financial Regulations are up to date and last reviewed 7th March 2019

Supporting paperwork for payments and appropriate authorisation.

All the supporting paperwork for payments is in place. Payments are authorised at council meetings, supported by the invoices.

VAT reclaimed during the year:

£0 has been reclaimed and this is corrected recorded in the cashbook

Does the Council use General Power of Competence and when was it adopted or last confirmed?

N/A

S137 separately recorded and expenditure complied with.

Cashbook does record S137 expenditure as required

Does the council have any loans in place?

N/A

Date of approval from the Secretary of State (DCLG).

N/A

Payments of interest and principal sums in respect of loans are paid in accordance with agreements.

N/A

Code of Conduct. Date of adoption. Register of interests published on the council's website.

Code of Conduct up to date and can be found on the Councils website

Recommendation:

To annually review the Code of Conduct and to remind Councillors to review and update the register of interests.

2. Risk Management

Appropriate Financial Risk Assessment procedures in place for the activities of the council.

Risk assessment are in place and cover financial and physical risks, reviewed 7th March 2018

Recommendation:

Risk: Salary – add illness and holiday (who will make over the payments)

Risk: Elections – add budget for bye-elections

Risk: GDPR Loss of data, cyber attack, loss of the personal data of individuals, loss of IT equipment, critical software updates

Appropriate insurance cover for employer's liability, public liability and fidelity guarantee. Cover of events if applicable.

The policy has been provided

The Council are insured with Zurich

Public Liability: £10,000,000

Employers Liability: £10,000,000

Fidelity Guarantee: £25,000

Corporate homicide and manslaughter – within legal cover

GDPR – within legal cover

3. Budgetary controls

Verifying that the budget has been properly prepared and agreed with reference to council minutes and supporting documents.

The budget was agreed at a full Council meeting Thursday 10th January 2019

Regular reporting of expenditure and variances from budget are regularly provided.

4. Income Controls

Precept and other income, including credit control mechanisms.

Reserves: £22,038

The reserves are adequate for the size, assets and activity of the Council

5. Petty cash/expenses procedure

Established system in place and associated supporting documents.

N/A

6. Payroll controls

Salary payments including deductions for PAYE/NIC. Compliance with Inland Revenue procedures.

Payroll is in place and HMRC payments are being made.

Records relating to contracts of employment.

A contract is in place for the Parish Clerk

Pension Auto Enrolment:

The Parish Clerk has opted out of a pension scheme

7. Asset control

Inspection of asset register. Annual review of register. Cross checking of Insurance cover.

The asset register has not been provided but a list is within the insurance scheme. Based on this information there is adequate insurance cover in place.

8. Bank reconciliation

Regularly completed and cash books reconcile with bank statements.

The cash book reconciles with bank statement and year end figures.

9. Year-end procedures

Appropriate accounting procedures used and can be followed through from working papers to final documents. Verifying sample payments and income. Checking creditors and debtors where appropriate.

A selection of transactions was taken through the complete audit trail from approval in minutes, invoice, cheque book and bank statements. All were found to be in order. Year-end figures reconcile with the cashbook and bank statements.

10. Sole Trustee

Has the Council has met its responsibilities as a trustee (If applicable).

N/A

11. Internal Audit procedures

Recommendations from previous internal audit:

As with last year the accounts and information has been well documented and well presented all recommendations to follow up from the last audit have been completed. There are just a couple of recommendations made in this year's audit. These are not significant but may be helpful going forward.

12. Additional comments

Annual meeting of the council: 3rd May 2018

Annual meeting of the parish/town: 18th April 2018

Transparency code: Up to £25,000.00 – Code for smaller authorities – complying

£200,000.00 or over – Code for Larger authorities – N/A

Is the council registered with the ICO? Information not provided

Jayne Cole

Chief Executive Officer

Local Council Public Advisory Service

Date: May 15th 2019

Local Council Public Advisory Service

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