

Type of audit	Covering period	Date carried out
Final Review & Internal Audit	April 2017 to March 2018	1/5/18

Internal control	Suggested tests	Result
Proper bookkeeping	Is the cashbook maintained and up-to-date	Yes
	Is the cashbook arithmetically correct	Yes
	Is the cashbook regularly balanced	Yes, monthly
a) Standing orders and Financial Regulations adopted and applied; and b) Payments controls	Has the Council formally adopted standing orders and financial regulations	Yes. Existing SOs are used in conjunction with New Model SO issued by NALC in summer 2011. New Code of Conduct adopted 6/9/12. Revised Financial Regulations adopted 11/6/15 (M218.9).
	Has a Responsible Financial Officer been appointed with specified duties	Yes, the Clerk
	Have items or services above a de minimis amount been competitively purchased	Yes, as far as can be ascertained. Quotes for annual ground and other outside maintenance have been requested from contractors this year and annual contracts awarded. After a review, current 3 contractors re-appointed for groundwork and orders placed for 2018/9 (M245.12) 911/17. 2 companies invited to bid for the Playground maintenance contract.
	Are payments in the cashbook supported by invoices, authorised and minuted	Yes
	Has VAT on payments been identified, recorded and reclaimed	Yes. £2481.98 was refunded for FY 2016/17. Paid 11/5/17. Claim for FY 2017/18 is £3098.56. received 12/4/18
	Is s137 expenditure separately recorded and within statutory limits	Yes – Poppy wreaths recorded. (M245.3)
Risk management arrangements	Does a scan of the minutes identify any unusual financial activity	No.
	Do the minutes record the Council carrying out an annual risk assessment	An updated risk register has been prepared. The Pedestal Play Area Inspection annual inspection of the Playing Field, its equipment and facilities – was carried out on 12/7/17. - M241.3 13/7/17 H&S Risk Assessment & PPF Risk Assessment issued for discussion. Amendments made for re-issue at October meeting. - M244.3 12/10/17 PPF Inspection

		<p>report accepted.</p> <ul style="list-style-type: none"> - 2 play equipment specialists asked to quote for the recommended repairs. - contract placed M246.5 14/12/17. <p>Cllr. Cope has taken responsibility for monitoring and reporting inspection of the equipment. <i>(A spreadsheet report was this year available to the Auditor as requested.)</i></p> <p>Council is addressing the requirements of GDPR (M248.6) 8/2/18.</p> <ul style="list-style-type: none"> - M249.5 8/3/18 draft policy issued to Councillors.
	Is insurance cover appropriate and adequate	<p>As far as can be ascertained. Asset Register last revised 1/4/17. Assets listed in Ins. Document. Insurance renewed annually on 1st June.</p> <p>Quotes obtained and comparison carried out. AXA/Inspire selected 11/5/17 M239.12. Cost of £835.31.</p>
	Are internal financial controls documented and regularly reviewed	Yes
Budgetary controls	Has the Council prepared an annual budget in support of its precept	<p>Yes.</p> <p>Last year's main purchase , a traffic monitor for Chorley Road, cost £4,000 and was made on 6/4/17 M238.4.</p> <p>7/9/17 (M243.7) – budget/ expenditure to date issued. (PPF over budget because of replacement of damaged fixtures).</p> <p>12/10/17 (M244.5) –Budget 2018/9 discussion began – quotes for continued service by maintenance contractors requested.</p> <p>9/11/17 (M245.11) suggested budget and this year's expenditure to date issued. Discussion of future projects.</p> <p>14/12 (M246.7) Budget discussed.</p> <p>11/1/18 (M247.7) Budget discussed. Proposed budget for expenditure and reserves is £73,380. Income expected is £80,353 including allocated reserves of £31,000. (actual reserve at year end was £29,000.</p> <p>Precept set for 2018/19 at £43,000. + CTSS Grant of £909.56 expected.</p>

	Is actual expenditure against the budget regularly reported to the Council	Yes, expenditure against budget recorded regularly by Clerk.
	Are there any significant unexplained variances from the budget	No.
Income controls	Is income properly recorded and promptly banked	Yes
	Does the precept recorded in the cashbook agree to the District Council's notification	Yes. - 27 April - £22,051.52 received. Includes CTSG of £1,051.52 - 6 Sept. - £21,000 received. Devolved services funds from BCC received April 2017 - £2033.58 – devolved funds received for FY 2017/18.
	Are security controls over cash adequate and effective	Yes. Council/Chairperson approves all payments.
Petty cash procedures	Is all petty cash spent recorded and supported by VAT invoices/receipts	Yes. Previous External Auditor directed that Petty Cash is not applicable in future as no actual cash float is kept. (M243.3) 7/9/17.
	Is petty cash expenditure reported to each Council meeting	Yes. Itemised expenditure is reported and reimbursed by cheque.
	Is petty cash reimbursement carried out regularly	Yes, expenses are reimbursed monthly.
Payroll controls	Do salaries paid agree with those approved by the Council	Yes. Clerk has been employed by WWPC since Sept 09. (M249.1) 8/3/17 Notification of BCC pension increase for 2018/9. April 2017 – Pay & pension increased, Tax decreased as Clerk's Tax code has changed.
	Are other payments to the Clerk reasonable and approved by the Council	Yes.
	Has PAYE/NIC been properly operated by the Council as an employer	Yes. Council & Clerk's own pension contributions paid each month to BCC. Clerk pays tax but not NIC.
Asset controls	Does the Council keep an asset register of all material assets owned	Yes.
	Are the Asset/Investments registers up-to-date	Yes. Last with additional assets, including the MYSID speed indicator.
	Do asset insurance valuations agree with those in the asset register	Yes. Current valuation is £116,301. Insurance renewable 1st June each year.
Bank reconciliation	Is there bank reconciliation for each account	Yes
	Is bank reconciliation carried out regularly on the receipt of statements	Yes. Monthly
	Are there any unexplained balancing entries in any reconciliation	No

Year-end procedures	Are year-end accounts prepared on the correct accounting basis (Receipts & Payments/Income & Expenditure)	Yes (R&P). 2017/18 Year-end accounts prepared and sent to Councillors. Presented and approved at April meeting on 12/4/18 (M250.13).
	Do accounts agree with the cashbook	Yes.
	Is there an audit trail from underlying financial records to the accounts	Yes, invoices numbered and date of receipt recorded.
	Where appropriate, have debtors and creditors been properly recorded.	Yes. None outstanding.

Notes:

- **Deaths, Burials & Memorials** - During the year there was one burial, Mr Hogan 12/7/17, (£300) and two internment of ashes in the same spot, Denham & Jordan 22/3/18, £160.
- Year End balance of £29,170.61. There is a significant reserve as the Council is saving to replace street lighting (£14,000), play equipment (£2,500) & to take on more devolved services when required (£12,000).
- Additional Barclays account was closed on 3/7/17 and balance transferred to Current account – no statement or activity on this account since 2016.

WEST WYCOMBE PARISH COUNCIL FINAL REVIEW & INTERNAL AUDIT FINANCIAL YEAR 2017/18

1. Introduction

This brief report outlines the conduct and results of my annual review and internal audit of West Wycombe Parish Council's (WWPC) accounts for the financial year 2017/18. The purpose of the review was to examine the accounts and documentation available for the year and the year-end accounts.

The annual internal audit, carried out on 1 May 2018 examined the accounts up to the end of March 2018 and the year-end accounts including:

- the start of year accounts and the annual risk assessment;
- the annual budgeting process;
- the finalised budgets and precept request for 2018/19.

2. Method

The following tasks were carried out:

- Two sets of minutes were selected at random and the financial actions specified within them traced through the Cash Book and supporting paperwork;
- All minutes for the financial year were scanned;
- The accounts was examined for each month;
- The final accounts were examined;
- The (computerised) Cash Book, Burial Records, Insurance Certificate and the adopted *Standing Orders, Financial Regulations and Procedures for the conduct of Parish Council meetings* (the Standing Orders) were examined.

3. Final Report

I applied the key control tests provided in the *Suggested Approach to Internal Audit Testing* and the results were as follows:

- The cash book was found to be maintained, arithmetically correct and regularly balanced;
- Standing orders and financial regulations have been adopted and applied and there are appropriate controls applied to payments;
- VAT has been identified, recorded and reclaimed;
- Risk management arrangements are in place and a Risk Register is maintained;
- The Council has prepared an annual budget in support of its precept, expenditure is regularly reported and significant variances have been adequately explained;
- Income has been properly recorded and promptly banked, the precept for 2017/18 was as expected and there are effective controls over cash;
- Petty cash procedures have been adhered to;
- The salary for the Clerk/RFO which was approved by the Council has been paid, as have expenses incurred. Since 1 September 2009 the Clerk has been employed by the Council which makes PAYE and pension payments for her;
- All bank accounts have been reconciled regularly, statements have been placed on file and no unexplained balancing entries were identified;

- There is an audit trail of cheque numbers and numbers identifying receipts between the Cash Book and the filed underlying documents. Debtors and creditors have been recorded.

Inspections of the playground are being carried out annually, in July this year.

4. Implementation of improvements

There were no recommendations last year.

5. Recommendations

There are no recommendations for improvement this year.

6. Summary

I have no concerns about the accounts and I am satisfied that I can complete a satisfactory Annual Report.

As usual, the quality of the bookkeeping and filing has made my task very straightforward and ensured that the audit has proceeded smoothly.

Lesley Hewitt
Internal Auditor to WWPC
1st May 2018