

INTERNAL AUDIT REPORT
ANTROBUS PARISH COUNCIL
2016/17

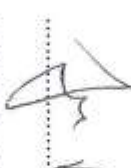
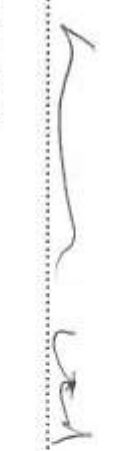
The internal audit of Antrobus Parish Council was carried out by undertaking the following tests as specified on the Annual Return for Local Councils in England:

- Checking that books of account have been properly kept throughout the year
- Checking a sample of payments to ensure that the Council's financial regulations have been met, payments are supported by invoices, expenditure is approved, and VAT is correctly accounted for
- Reviewing the Council's risk assessment and ensuring that adequate arrangements are in place to manage all identified risks
- Verifying that the annual precept request is the result of a proper budgetary process; that budget progress has been regularly monitored and that the council's reserves are appropriate
- Checking income records to ensure that the correct price has been charged, income has been received, recorded and promptly banked and VAT is correctly accounted for
- Reviewing petty cash records to ensure payments are supported by receipts, expenditure is approved and VAT is correctly accounted for
- Checking that salaries to employees have been paid in accordance with Council approvals and that PAYE and NI requirements have been properly applied
- Checking the accuracy of the asset and investments registers
- Testing the accuracy and timeliness of periodic and year-end bank account reconciliation(s)
- Year end testing on the accuracy and completeness of the financial statements

Conclusion

On the basis of the internal audit work carried out, which was limited to the tests indicated above, in our view the council's system of internal controls is in place, adequate for the purpose intended and effective, subject to the recommendations reported in the action plan overleaf.

As part of the internal audit work for the next financial year we will follow up all recommendations included in the action plan.


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JDH Business Services Limited

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ACTION PLAN

ISSUE	RECOMMENDATION	FOLLOW UP
<p>1 Although it is clear from the minutes that reserves are being held for the playground projects, the council does not disclose in the accounts at each year end how much of balances are earmarked, and for what purpose(s), and how much represents general reserves.</p>	<p><i>The council should analyse clearly earmarked and general reserves in the year end accounts</i></p>	
<p>2 Unpresented cheques are included as one total of £547.93 in the year end bank reconciliation with no analysis provided on the face of the bank reconciliation. We reviewed the cash book to identify the items and the cash book contained a key stating that all items marked ** were unpresented items. However, these cast to £438. We eventually identified the items making up the remainder of the difference.</p>	<p><i>The analysis of unpresented items should be included on the face of the year end bank reconciliation in future to improve transparency and to evidence that the bank reconciliation balances.</i></p>	
<p>3 We were unable to verify on the day of the audit (May 23rd 2017) that the transparency code had been complied with regarding published website information as the website kept returning the message 'Server cannot be found'</p>	<p><i>The council should ensure the website is functional. We will check compliance with the transparency code at the next internal audit</i></p>	