INTERNAL AUDIT SERVICE FOR STALBRIDGE TOWN COUNCIL

AUDIT PROGRAMME - 2019/20

I certify that I have carried out the tests detailed below in accordance with the suggested approach in the 2008 edition of 'Governance and Accountability in Local Councils in England and Wales – A Practitioners Guide'. Where an entry has been made in column 4 the supporting papers are attached.

Signed..... Date 13/06/2020

Test No.	1 Internal Control	2 Tests	3 Initial if Yes	4 Comments
1	Previous Internal Audit report	Do the minutes record that The Council has considered the internal audit Report for the previous year and the matters arising addressed.	y OB	https://www.stalbridgetowncouncil.gov.uk/agenda-and-minutes.html TCEM 19.06.19 item 6.
2	Proper bookkeeping	Is the cashbook maintained and up to date?	y OB	Copies of 12 months of cash book provided for current & sub-committee accounts
2a		Is the cashbook arithmetically correct?	Y OB	Copies of 12 months of cash book provided by month cross ref to bank statement number. Qtr. bank statements provided for check
2b		Is the cashbook regularly balanced?	Y OB	Copies of 12 months of cash book provided by month & Bank reconciliation
3	Standing orders & Financial regulations	Has the Council formally adopted Standing orders and Financial Regulations?	Y OB	Copies of Standing orders & financial regulations Review Mtg. 15.05.19 item 19 https://www.stalbridgetowncouncil.gov.uk/agenda-and-minutes.html
3a		Has a Responsible Financial Officer been appointed?	Y OB	Clerks contract page 2 5.1
3b		Have items or service above de minimis amount been competitively purchased.	Y OB	https://www.stalbridgetowncouncil.gov.uk/agenda-and-minutes.html TCM 04.09.19 item 16. TCM 11.11.19 item 8.
3c		Are payment in the cashbook supported by invoices and have they been authorised and minuted?	Y OB	Electronic Bank payments in lieu of cheques Payments 58, 86,146,193 and 223 details checked. All ok. https://www.stalbridgetowncouncil.gov.uk/agenda-and-minutes.html
3d		Is section 137 expenditure separately recorded and within statutory limits	Y OB	Cash book shows separate column for S137 expenditure Limit for 19.20 is £ 17,328.08 Year- end stat of account shows expenditure of £2,037.03

3e		Has VAT on payments been identified an, recorded and reclaimed?	Y OB	Receipt numbers (26) Apr- June , (45) July –Sept , (59)Oct –Dec can be cross referenced to cash book
3f		Has the general power of competence been adopted? Does the Council meet the criteria to uses the power	N/A OB	The general power of competence has not been adopted. The Council does not meet the criteria. Members are 100 % elected however the Clerk has not completed the CILCA module. https://www.stalbridgetowncouncil.gov.uk/agenda-and-minutes.html 15.05.19 item 21
4	Risk Management Arrangements	Does a scan of the minutes identify any unusual activity?	N OB	Minutes reviewed on the Town Council web site. https://www.stalbridgetowncouncil.gov.uk/agenda-and-minutes.html Doc services & powers. No unusual activity
4a		Do the minutes record the Council carry out an annual risk assessment?	Y OB	Annual risk assessment TCM 05.02.20 item 12. Annual risk assessment report and action plans
4b		Is insurance cover appropriate and adequate?	Y OB	Insurance policy https://www.stalbridgetowncouncil.gov.uk/agenda-and-minutes.html review 15.05.19 item 23.
4c		Are internal financial controls documented and regularly reviewed?	Y OB	https://www.stalbridgetowncouncil.gov.uk/agenda-and-minutes.html Review and adoption of appropriate financial regulations. mtg 15.05.19 item 19. Annual review of direct debits & standing orders 04.03.20 item 7b.
4d		Has the Council prepared an annual budget in support of its precept?	Y OB	4.d budget sheet 19.20
4e		Is actual expenditure against the budget regularly reported to the council?	Y OB	Quarterly financial reports mtg. 04.09.19 item 18b, Emtg 22.01.20 item 3b, mtg 06.11.19 item 12b. In view of the cancellation of public meetings due to covid 19 the in house TC auditor has verified the year-end figures 31.03.20. This will be verified by Full Council at a VC meeting before signing and submitting the AGAR forms.
4f		Are there any significant unexplained variances in the budget?	Y OB	(annual return) gives explanation of significant variances
5	Income Controls	Is income properly recorded and promptly banked?	Y OB	Cash book Receipt numbers 6, 15, 23, 31 and 59 checked – all OK
5a		Does the precept recorded in the	Y OB	Cash book April & September receipts precept notification

		cashbook agree to the Dorset Council's Notification?		
6	Petty Cash procedures	Are security controls over cash adequate and effective?	Y OB	(Financial Regulations) 6.21 & sub committee- cash handling procedures
6a		Is all petty cash spent recorded and supported by VAT invoices / receipts?	Y OB	Petty cash vouchers and receipts seen for 15/4/19, 8/5/19, 5/6/19, 30/8/19 and 31/10/19. No issues.
6b		Is petty cash expenditure reported to the Council?	Y OB	Financial Regulations) 6.21 & sub committee- cash handling procedures
6c		Is petty cash reimbursement carried out regularly?	Y OB	Sub-committee cash books
7	Payroll Controls	Do salaries paid agree with those approved by Council?	Y OB	Cross ref cash book to TC minutes salaries paid and approved monthly at TC meetings https://www.stalbridgetowncouncil.gov.uk/agenda-and-minutes.html
7a		Are other payments to the Clerk reasonable and approved by the Council?	Y OB	Cash book June, July, Sept, Oct, Nov, Jan, Feb & March cross reference to meeting minutes https://www.stalbridgetowncouncil.gov.uk/agenda-and-minutes.html
7b		Has PAYE/NIC been properly operated by the Council as an employer?	Y OB	Copies of P60 & P45 provided
8	Asset Controls	Does the Council keep an Assets Register of all material assets owned?	Y OB	Copy of register provided
8a		Is the Register up to date?	Y OB	Copy of register provided Reviewed Mtg. 15.05.19 Item 23. Annual inventory inspection review 06.11.19 item 6 https://www.stalbridgetowncouncil.gov.uk/agenda-and-minutes.html
8b		Does the insurance valuations agree with those on the register?	Y OB	Copy of register provided updated y/e March 2020. Audit briefing changes to assets valuation. community assets that do not have a market value are recorded at a nominal £1 to ensure the TC's ownership/ responsibility is recognised. Insurance review mtg 15.05.19 item 24. https://www.stalbridgetowncouncil.gov.uk/agenda-and-minutes.html
9	Bank Reconciliation	Is there a bank reconciliation for each	Y OB	Bank Reconciliation

		bank account?		
9a		Is the bank reconciliation carried out regularly on the receipt of statements?	Y OB	Bank Reconciliation & Cash book cross referred to statement numbers.
9b		Are there any unexplained balancing entries in any reconciliation?	N OB	Bank Reconciliation & Cash book. None seen
10	Year-End procedures	Are year –end accounts prepared on the correct accounting basis?	Y OB	accounts statement Annual Governance and Accountability Return 2019/20 Part 3
10a		Do accounts agree with the cashbook?	Y OB	accounts statement & cash book Annual Governance and Accountability Return 2019/20 Part 3
10b		Is there an audit trail from underlying financial records to the accounts?	Y OB	accounts statement & cash book Annual Governance and Accountability Return 2019/20 Part 3
10c		Where appropriate, have debtors and creditors been properly recorded?	N/A OB	N/A