

**AUDIT REPORT BY THE INTERNAL AUDITOR TO CALDBECK PARISH COUNCIL
PERIOD 1ST APRIL 2018 - 31ST MARCH 2019
FINANCIAL YEAR ENDING 31 MARCH 2019**

The Local Audit and Accountability Act 2014 and The Accounts and Audit (England) Regulations 2015 requires a Council, having signed the Certificate of Exception, to publish the requisite documents on a website prior to 2nd July in the relevant year.

The clerk has undertaken the requirement and the Annual Governance and Accountability Return, (AGAR) with all attendant information was publicly displayed.

Detailed below are the findings of the Internal Audit.

1. Proper Bookkeeping

The Council operates Receipts and Payments accounts as required by the Regulations. The Cashbook records receipts and payments under specific budget headings allowing immediate identification of spending in each budget sector. The cashbook is balanced monthly and also records cumulative spending to date. There is the additional security of an internal checking system to monitor the accuracy of the data input into the computerised accounts.

2. Financial Regulations, Standing Orders

Financial Regulations and Standing Orders were reviewed and adopted at the meeting held on 25th March 2019 Minute No. 12.

3. Invoice procedure

There is a clear audit trail from the financial records, supported by invoices and all payments are authorised and duly recorded in the minutes. A random check was made of all payments.

4. VAT

VAT was identified on purchases for the period ending 31st March 2019. The VAT record on payments in the cashbook verifies the accuracy of the sum for the year of £206.38

5. Sct 137 Payments

There is a statutory requirement to maintain 'a separate account' of expenditure under Local Government Act 1972 section 137, by the inclusion in the cashbook of a separate accounting column, even if not used.

Expenditure identified under this power - British Legion Poppy Appeal. - £20.00
Great North Air Ambulance - £250.00; First Responders - £70.00

6. Risk Management

The Council has documentation clearly identifying risks associated with activities undertaken by the council both financial and physical. A draft document was received, reviewed and approved at the meeting held on 25th March 2019 Minute No. 12

7. Minutes

The Minutes clearly documents the activities of the Council and there is no evidence of unusual financial activity. Loose-leaf minutes are sequentially numbered and verified by the initials of the Chairman.

8. Register of Interest

Members have duly completed the Register of Interests and fulfilled their obligation to keep it updated.

9. Budget Control

A correct budget process is in place and the budget is regularly monitored. Forecasting over/under budget spending identifies variances, which is addressed appropriately if required.

10. Cash Balances

The cash balances at the bank are considered adequate to enable the Council to fulfil the obligations in the 2019/20 budget.

11. Income Controls

All income is recorded and promptly deposited at the bank.

12. Petty Cash/Clerk's Expenses

The Council does not operate a Petty Cash Account.

All spending under Clerk's Expenses is notified to and approved by Council

Sums drawn are allocated to the appropriate budget head and VAT is identified and claimed.

13. Payroll Controls

All PAYE/NIC records are up to date and submissions to HMRC are made in real time online.

14. Asset Control

The Asset Register documents assets held by the Council. Acquisitions and disposals in the current financial year have been adjusted and will be explained in the variances appended to the AGAR.

15. Bank Reconciliation

Bank Reconciliations are carried out on receipt of bank statements and accurately portray the financial position of the Council. It is confirmed that there are no unexplained balancing entries.

Conclusion

I confirm Caldbeck Parish Council is compliant with all Account and Audit Regulations and statutory requirements.

In concluding the report I acknowledge the assistance of the Clerk/RFO for his help with queries and the thorough preparation and availability of all documents, which expedited the audit process as a result of accurate and transparent records.



Georgina D Airey
Internal Auditor - 23rd April 2019