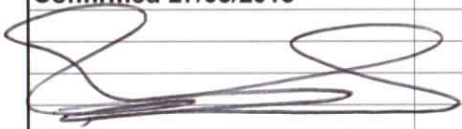


Winsham Parish Council - March 2018				
Internal Control	Suggested Test	Yes	No	Comments
<b>Proper Bookkeeping</b>	Is the Cashbook maintained & up to date	X		RBS Accounting Software used and all processing up to date
	Is the Cashbook arithmetically correct	X		
	Is the Cashbook regularly balanced	X		Monthly Bank Reconciliations
<b>Standing Orders &amp; Financial Regulations adopted &amp; applied</b>	Has the Council formally adopted standing orders & financial regulations	X		NALC Models Adopted Reviewed March 2017
	Has a Responsible Officer been appointed with specified duties	X		Clerk's contract contains the role of RFO
<b>Payment controls</b>	Have items or services above a set amount been competitively purchased	X		
	Are payments in the cashbook supported by invoices, authorised & minuted	X		Sample reviewed and found to be correctly processed
	Has VAT on payments been identified, recorded & reclaimed	X		Claimed on Annual basis as value considered too low for quarterly
	Is S137 expenditure separately recorded & within statutory limits			None recorded as all relevant payments cover by General Power of Competence, which currently expires 5/18
<b>Risk Management</b>	Does a scan of minutes identify any unusual financial activity		X	
	Do the minutes record the council carrying out an annual risk assessment for all appropriate activities and locations	X		Reviewed 10/2017 Renewal 31/05/2017
	Is insurance cover appropriate & adequate			
	Are internal financial controls documented & regularly reviewed	X		Reviewed 12/2017
<b>Budgetary Controls</b>	Has the Council prepared an annual budget in support of its precept	X		
	Is actual expenditure against the budget regularly reported to the Council	X		
	Are there any significant unexplained variances from the budget		X	
<b>Income Controls</b>	Is income properly recorded & promptly banked	X		
	Does the precept recorded in the cashbook agree to the District Council's notification	X		
	Are security controls over cash adequate & effective	N/A		

Internal Control	Suggested Test	Yes	No	Comments
<b>Petty Cash Procedures</b>	Is all petty cash spent recorded & supported by VAT invoices or receipts	N/A		No petty cash is held. All minor expenditure etc. by the clerk/secretary is recorded, supported by receipts and claimed on a regular basis
	Is petty cash expenditure reported to each Council meeting	N/A		
	Is petty cash reimbursement carried out regularly	N/A		
<b>Payroll Controls</b>	Do salaries paid agree with those approved by Council	X		The Clerk is the Council's sole employee - hours increased in Sept 2017 to 26.
	Are other payments to the Clerk reasonable & approved by the Council	X		See above re Petty Cash
	Has PAYE & NIC been properly operated by the Council as an employer	X		The correct procedure is in place
	Has Auto Enrolment Process been completed	X		Clerk's hours/pay are insufficient for Auto Enrolment
<b>Asset Controls</b>	Does the Council keep an asset register of all material assets owned	X		
	Are the asset & investment registers up to date	X		
	Do asset insurance valuations agreed with those in the asset register	X		War Memorial added 4/03/2015
<b>Bank Reconciliation</b>	Is there a bank reconciliation for each account	X		
	Is the bank reconciliation carried out regularly on receipt of statements	X		Signed off quarterly
	Are there any unexplained balancing entries in any reconciliation		X	
<b>Year End Procedures</b>	Are year end accounts prepared on the correct accounting basis - Receipts/Payments or Income & Expenditure	X		Prepared on an Receipts/Payments Basis
	Do accounts agree with the cash book	X		
	Is there an audit trail from underlying financial records to the accounts	X		
	Where appropriate have debtors & creditors been properly recorded	N/A		
<b>Confirmed 27/03/2018</b>				
				
<b>Philip J Smith ACIB Cert ITCM</b> <b>Appointed Internal Auditor for Winsham Parish Council</b>				

## **Winsham Parish Council – Internal Audit Informal Comments & Recommendations**

The basis of my Internal Audit was set out in the Informal Comments presented with the 2016 report.

I am pleased to note that your Clerk maintains high professional standards with the comprehensive supporting documentation provided and available on your web site. This ensures strong governance is undertaken by Council and this is further evidenced by the granting of the Foundation Level Award in October 2017.

All information I required to complete my review was readily to hand or a clear explanation given to requests for clarification, when required. This has enabled me to sign off my standard review check list without any adverse comments being noted.

I am pleased to note that the Clerk is aware of the likely requirements of GDPR and that this may require significant time to undertake the '12 Steps of Preparation' as detailed by the ICO.

### **The United Charities of Sir Matthew Holsworthy & John Wheadon**

Last year I raised some concerns as to the relationship of the Council to the Charity and suggested that it required clarification to ensure that responsibilities as to the operation of the Charity do not rest with the Council. This matter has been clarified to my satisfaction.



**Philip J Smith – Internal Auditor for Winsham PC – March 2018**