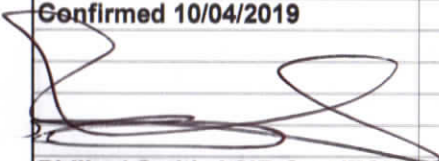


Winsham Parish Council - April 2019				
Internal Control	Suggested Test	Yes	No	Comments
<b>Proper Bookkeeping</b>	Is the Cashbook maintained & up to date	X		Alfa Accounting Software used and all processing up to date
	Is the Cashbook arithmetically correct	X		
	Is the Cashbook regularly balanced	X		Monthly 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 - Fin Regs May 18 Stos Feb 19 Clerk's contract contains the role of RFO
	Has a Responsible Officer been appointed with specified duties	X		
<b>Payment controls</b>	Have items or services above a set amount been competitively purchased			Sample reviewed and found to be correctly processed Claimed on Annual basis as value considered too low for quarterly Power of Competence expired 5/18
	Are payments in the cashbook supported by invoices, authorised & minuted			
	Has VAT on payments been identified, recorded & reclaimed	X		
	Is S137 expenditure separately recorded & within statutory limits	X		
<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 10/2018 Renewal 31/05/2019
	Is insurance cover appropriate & adequate			
	Are internal financial controls documented & regularly reviewed	X		Reviewed 5/2018
<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 with dispensation to 30 hrs
	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		
<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>Genfirmed 10/04/2019</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 was further evidenced by the granting of the Foundation Level Award in October 2017.

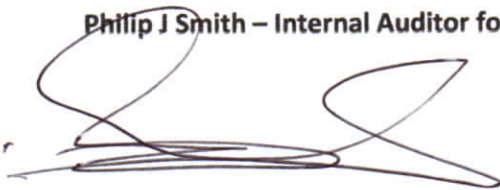
All information I required to complete my review was readily to hand or a clear explanation given to requests for clarification, when required. This has enabled me to sign off my standard review check list without any adverse comments being noted.

I understand that your present clerk has tendered her resignation and will assist the new clerk to settle into the role. It is also my understanding that the Council requires the incoming clerk to progress towards the CiLCA qualification. The training and information received in working towards this qualification should ensure that your clerk maintains the high standards evidenced by my review.

I have discussed with the clerk matters arising in the Council minutes, concerning the Winsham Playing Fields Trust and the Sports & Social Club, to satisfy myself that the decisions being made were not likely to result in unknown financial liabilities being transferred to the Council. The information given leads me to understand that this aspect has been considered and should not arise.

*It was explained that the Council is considering the provision of annual accounts from the new lease holder as part of the lease terms and conditions. In doing so it might be presumed that the Council would then review these accounts, opening itself up to criticism if any financial irregularities were not spotted and commented upon. I would suggest that the Council should consider if this is a risk and how best to mitigate it, should one be identified.*

**Philip J Smith – Internal Auditor for Winsham PC – April 2019**

A handwritten signature in dark ink, appearing to be 'Philip J Smith', written over a horizontal line.