

Findings and Recommendations

**A. Appropriate accounting records have been properly kept throughout the financial year.**

**Findings**

A computerised system has been used to appropriately record the financial transactions throughout the year.

**B. The authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.**

**Findings**

With the exception of the following points Financial Regulations have been complied with throughout the year:

The Financial Regulations require that all invoices should be examined and certified by the clerk (6.2). Each invoice has been marked with the method of payment and cheque number if appropriate, however there was no evidence of certification of approval.

Financial Regulations only allow spending within budgets unless a virement between sub-headings is approved by Council (3.2). There was evidence of some virements being requested during the year however there were numerous sub-headings and also some cost centres which were overspent when no virement had been requested. Overall spending was within the budget set.

**Recommendations**

In accordance with Financial Regulations all invoices should be certified with either initials or signature as evidence of approval.

The nature of the more detailed computer system means that it may be more appropriate to update Financial Regulations to only require Council approval between cost centres rather than individual sub-headings.

Virements should be requested and approved between cost centres when it is anticipated that an overspend is likely in a particular cost centre.

**C. The Authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.**

**Findings**

An annual risk review was carried out and a risk register is maintained. Potential risks are discussed at Council meetings.

**D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.**

**Findings**

There is a meeting annually to discuss the precept requirement and set the budget for the coming year.

**Findings and Recommendations**

Actual results are monitored against budget at every Council meeting.

**E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; VAT was appropriated accounted for.**

**Findings**

Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for. The main source of income in the year was the precept. Other income is either invoiced for allotments or receipted for pitch hire.

**F. Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.**

**Findings**

Petty cash expenditure was supported by receipts and approved, Vat had been appropriately accounted for.

**G. Salaries to employees and allowances to members were made in accordance with the authority's approvals and PAYE and NI requirements were properly applied.**

**Findings**

Wages are correctly approved, calculated and paid and PAYE and NI are deducted and paid to HMRC as required.

There were no allowances paid to members.

**H. Asset and Investments registers were complete and accurate and properly maintained.**

**Findings**

An asset register was maintained and up to date.

The council had no investments.

**I. Periodic and year-end bank reconciliations were properly carried out.**

**Findings**

Bank reconciliations were carried out monthly throughout the year. Bank reconciliations were reviewed at every council meeting.

**Werrington Parish Council**

**Annual Internal Audit Report 2018/19**

**Appendix 1**

**Findings and Recommendations**

- J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.**

**Findings**

Accounting statements have been prepared on a receipts and payments basis.

There is a verifiable computerised audit trail and the year-end accounting statements agree to the underlying records.