

Arlesey Town Council Internal Audit Report 2019



18 June 2019 at 17:28:

(to be read in conjunction with the attached Internal Audit Observations)

	Internal Control Objective	Observation	Internal Audit Response
A	<i>Appropriate accounting records have been kept properly throughout the year.</i>	The Council maintains its accounts using the Omega Accounting system. The accounting records reviewed were well maintained. There were no adverse observations made	Yes
B	<i>This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.</i>	The Council maintains a set of Financial Regulations which were subject to review during the year. A sample of bank payments was selected during the interim audit. In all cases it was possible to obtain sight of the original supporting vouchers which has been appropriately approved.	Yes
C	<i>This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</i>	The Council maintains a Risk Register which was subject to review by Council on 19 March 2019	Yes
D	<i>The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.</i>	The Council set the precept at a meeting held on 12 December 2017. Regular budget control reports have been subject to review by Full Council	Yes

E	<p><i>Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.</i></p>	<p>The Council receives income from a variety of sources, in addition to precepts and grants. This was subject to test during the interim audit. The Council is VAT registered, regular VAT returns have been made to HMRC.</p>	Yes
F	<p><i>Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.</i></p>	<p>The Council maintains a petty cash. Transactions through the petty cash are of small value and frequency and have been subject to review by Council.</p>	Yes
G	<p><i>Salaries to employees and allowances to members were paid in accordance with this smaller authority's approvals, and PAYE and NI requirements were properly applied.</i></p>	<p>The Council operates a PAYE scheme. Payroll is processed using Moneysoft payroll software. Regular payments of tax and national insurance have been made to HMRC.</p>	Yes
H	<p><i>Asset and investments registers were complete and accurate and properly maintained.</i></p>	<p>The Council maintains an asset register which was subject to review by on 19 March 2019</p>	Yes
I	<p><i>Periodic and year-end bank account reconciliations were properly carried out.</i></p>	<p>Regular bank reconciliations have been undertaken and have been subject to independent review. The year end bank reconciliation was reviewed and agreed</p>	Yes
J	<p><i>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.</i></p>	<p>The Council reports on an Income and Expenditure basis. Year end Debtors, Creditors and Accruals were reviewed and agreed.</p>	Yes

M	Trust funds (including charitable) – The council met its responsibilities as a trustee.	The Council does not act as Trustee .	Yes
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Tuesday, June 18, 2019