

INTERNAL AUDIT SERVICE FOR WELSHAMPTON AND LYNEAL PARISH COUNCIL

AUDIT PROGRAMME – 2017/18

I certify that I have carried out the tests detailed below in accordance with the suggested approach contained in the 2014 edition of “Governance and Accountability in Local Councils in England and Wales – A Practitioners Guide”. Where an entry has been made in column 4 the supporting Working Papers are attached.

Signed.....Date.....

1 Internal Control	2 Tests	3 Initial if Yes	4 W/P Reference	5 Comments
Previous Internal Audit Report	Do the minutes record that Council has considered the Internal Audit Report for the previous year and the matters arising addressed?			
Proper bookkeeping	Is the cashbook maintained and up to date?			
	Is the cashbook arithmetically correct?			
	Is the cashbook regularly balanced?			
Standing Orders, Financial Regulations and Payment Controls.	Has the Council formally adopted Standing Orders and Financial Regulations?			
	Has a Responsible Financial Officer been appointed with specific duties?			
	Have items or services above the de minimis amount been competitively purchased?			
	Are payments in the cashbook supported by invoices and have they been authorised and minuted?			
	Has VAT on payments been identified, recorded and reclaimed?			
	Is Section 137 expenditure separately recorded and within statutory limits?			
Risk Management Arrangements	Does a review of the minutes identify any unusual activity?			

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Risk Management Arrangements (contd)	Do the minutes record the Council carrying out an annual risk assessment?			
	Is insurance cover appropriate and adequate?			
	Are internal financial controls documented and regularly reviewed?			
Budgetary Controls	Has the Council prepared an annual budget in support of its precept?			
	Is actual expenditure against the budget regularly reported to Council?			
	Are there any significant unexplained variances from budget?			
Income Controls	Is income properly recorded and promptly banked?			
	Does the precept recorded in the cashbook agree to the Council Tax Authority's notification?			
	Are security controls over cash adequate and effective?			
Petty Cash Procedures	Is all petty cash spent recorded and supported by VAT invoices/receipts?			
	Is petty cash expenditure reported to Council?			
	Is petty cash reimbursement carried out regularly?			
Payroll Controls	Do all employees have contracts of employment with clear terms and conditions?			
	Do salaries paid agree with those approved by Council?			

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Payroll Controls (contd)	Are other payments to the Clerk reasonable and approved by Council?			
	Has PAYE/NIC been properly operated by the Council as an employer?			
Assets Controls	Does the Council keep an Assets Register of all material assets owned and it its care?			
	Is the Register up to date?			
	Do asset insurance valuations agree with those in the Register?			
Bank Reconciliation	Is there a bank reconciliation for each bank account?			
	Is the bank reconciliation carried out regularly on the receipt of statements?			
	Are there any unexplained balancing entries in any reconciliation?			
	Is the value of investments held summarised on the reconciliation?			
Year-End Procedures	Are year-end accounts prepared on the correct accounting basis?			
	Do accounts agree with the cashbook?			
	Is there an audit trail from underlying financial records to the accounts?			
	Where appropriate, have debtors and creditors been properly recorded?			