

# Minster Lovell Parish Council Internal Audit Report 2017



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

	Internal Control Objective	Observation	Internal Audit Response
<b>A</b>	<i>Appropriate accounting records have been kept properly throughout the year.</i>	The Council maintains its accounts using a computerised accounting system. The records reviewed were found to be well maintained	<b>Yes</b>
<b>B</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 has in place a set of Financial Regulations. A sample of banks payments was selected. In all cases it was possible to trace the original supporting invoice which had been appropriately authorised	<b>Yes</b>
<b>C</b>	<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 and approval on 16 <sup>th</sup> May 2016	<b>Yes</b>
<b>D</b>	<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 the precept at a meeting held on 21 <sup>st</sup> December 2015. Regular budget monitoring reports have been submitted to Council	<b>Yes</b>

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E	<i>Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.</i>	The Council receives little income other than the from of Grants. It was noted that some income has been netted against expenditure codes. <b>The Council should refer to the attached Internal Audit Observations</b>	Yes
F	<i>Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.</i>	The Council does not maintain a Petty Cash	N/A
G	<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>	The Council employs a Clerk who is paid under PAYE. <b>The Council should refer to the attached Internal Audit Observations</b>	Yes
H	<i>Asset and investments registers were complete and accurate and properly maintained.</i>	The Council maintains an asset register which has been updated for additions in the year	Yes
I	<i>Periodic and year-end bank account reconciliations were properly carried out.</i>	The Council has reconciled its bank accounts. <b>The Council should refer to the attached Internal Audit Observations</b>	Yes

	Internal Control Objective	Observation	Internal Audit Response
J	<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>	The Council reports on an Income and Expenditure basis. At year end the only debtor balance outstanding was an amount receivable in respect of VAT	Yes
K	<i>Trust funds (including charitable) – The council met its responsibilities as a trustee.</i>	The Council does not act as Trustee	N/A

Kevin Rose ACMA  
IAC Audit & Consultancy Ltd  
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