

Internal Audit

Fairfield Parish Council

Year Ending 31 March

2019

Internal Auditor: Alessandra Marabese

Summary Checklist Report

This internal audit report is based upon the Association of Local Councils recommended checklist, introduced in 2016, in conjunction with the Practitioners' Guide to Governance and Accountability in Local Authorities.

Internal Audit Summary Checklist Report for FAIRFILED Parish Council

Year Ending: 31 March 2019

Name of Council	Fairfield Parish Council	Name of Clerk to the Council	Katrina Henshaw
No. Of Councillors	7	Name of RFO (if different)	
Quorum	3	Precept (for audit year)	£93,528
Electorate	1991	Gross budgeted income	£
Website	www.fairfieldparishcouncil.gov.uk		

Key Policies and Procedures Documentation Review

Policy Details				Last Review					Auditor comments
	Policy Name	Adopted	Prepared by	Date	Approved by	Key changes	On website?	Copy taken	Key changes required at next review and recommendations
a.	Standing Orders		Clerk	13/09/18	Council	NALC recommendations	Y	Y	None
b.	Financial Regulations	14/04/16		May 18	Council		Y	Y	See 2.3 below
c.	Grants Policy		Clerk	14/02/19	Council		Y	Y	None
d.	Financial Risk Assessment Checklist		Clerk	Apr 18	Council		N	Y	See 3.2 below
e.	Equality and Diversity Policy	12/12/13	Clerk	12/12/13	Council		Y	Y	See 2.5 below
f.	General								Add a review / revision / change history to all policies (version number/date adopted/changes made) for ease of future reference.

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1. Book-Keeping				Comments & Recommendations
1.1	Ledger maintained & up to date?	Yes	No	The accounts are balanced monthly and are up to date to the financial year-end.
1.2	Arithmetic correct?	Yes	No	Checks of the cashbook Excel spreadsheet confirmed that the cashbook and other accounts arithmetic were correct.
1.3	Evidence of internal control?	Yes	No	<ul style="list-style-type: none"> • Internal audit - annual • Risk assessment checklist – reviewed annually • Budgetary control and monitoring - quarterly • Bank reconciliation review by Chairman – quarterly
1.4	VAT evidence, recording and reclaimed?	Yes	No	<p>The Council is able to recover VAT through the Local Authorities and Similar Bodies Scheme.</p> <p>A claim for repayment of VAT is usually made 2 to 3 times at year. The latest claim made covered the period 01/08/18 to 31/12/18 and was for a repayment of £2,325.65. Previous claim covering 01/04/18 to 31/07/18 was for a repayment of £3,545.25. Repayment for 01/01/19 to 31/03/19 made on 30/04/19 for £8,143.80.</p> <p>Testing indicated that VAT on income and expenditure had been correctly applied. There has not been a VAT inspection since the Clerk's appointment in 01/08/2013.</p>
1.5	Payments in the ledger supported by invoices, authorised & minuted?	Yes	No	See Detailed schedule in Compliance Testing Report.
1.6	Is S137 expenditure separately recorded and within statutory limits?	Yes	No	N/A as GPC.
1.7	Is S137 expenditure of direct benefit to the electorate?	Yes	No	N/A as GPC

2. Due Process				Comments & Recommendations
2.1	Standing Orders adopted since 2013?	Yes	No	Standing Orders were last reviewed, updated and approved by Council at a meeting in on 13 th September 2019 when changes were made to comply with NALC recommendations.
2.2	Standing Orders reviewed at Annual Meeting?	Yes	No	Standing Orders, together with other key Council governance documents, are scheduled to be reviewed and approved at the Annual Meeting in May 2019. All documents were reviewed in May 2018.

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2. Due Process				Comments & Recommendations
2.3	Financial Regulations adopted since 2013?	Yes	No	Financial Regulations were last reviewed, updated and approved by Council at the Annual meeting in May 2018, when no amendments were made. No changes have been made since. Financial Regulations will be reviewed and approved at the Annual Meeting in May 2019. RECOMMENDATION Need for requirement to have an Investment Policy/Strategy to be added
2.4	Financial Regulations properly tailored to Council?	Yes	No	The current Financial Regulations are based on the current NALC model Financial Regulations, adapted to suit the specific needs of the Council.
2.5	Equality and Diversity policy adopted?	Yes	No	An Equality and Diversity Policy been adopted by the Council, but has not been formally reviewed since 2013. RECOMMENDATION: Council should review the Equal Opportunities policy.
2.6	RFO appointed?	Yes	No	Katrina Henshaw was appointed as Clerk to the Council on 01/08/13, which included responsibility as the RFO.
2.7	List of member's interests held?	Yes	No	The Clerk maintains and updates the list of member's interest as required. A link is available on the parish council website to the list of member's interest held at the Central Bedfordshire Council.
2.8	Agendas signed, informative and displayed with 3 clear days' notice?	Yes	No	The Clerk prepares and signs the council meeting agenda, which lists matters for discussion and is posted on the Council's website and parish council notice board. Agendas are issued on Fridays for Thursday meeting dates. RECOMMENDATION: Agenda numbering sequence to be sequential month on month and reflect minute numbering for easier cross referencing.
2.9	Purchase orders raised for all expenditure?	Yes	No	Financial Regulations determine how commitment to purchase is made (see 2.10). All orders for goods and services are made by purchase order or contract with a purchase order number, unless an online order is required.
2.10	Purchasing authority defined in Financial Regulations?	Yes	No	The Financial Regulations stipulate that: <ul style="list-style-type: none"> • Where possible 3 estimates/quotes will be obtained for purchases exceeding £100 and below £25,000. • In specific emergency situations purchases may be made.
2.11	Legal powers identified in minutes and/or ledger?	Yes	No	N/A as council meets criteria for General Power of Competence.
2.12	Committee terms of reference exist and have been reviewed?	Yes	No	N/A. No committees of council exist.

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3. Risk Management				Comments & Recommendations
3.1	Does a scan of the minutes identify any unusual financial activity?	Yes	No	Minutes are prepared for all meetings of the Council, which meets 11 times per year, with additional planning meetings if timings require. No unusual financial activity was found in the minutes reviewed. Council minutes are available to view on the Council's website.
3.2	Is an annual risk assessment carried out?	Yes	No	The Council has a financial risk assessment checklist which is reviewed annually by the Clerk and approved by Council. Last reviewed and minuted ref: Item 302.1 April 2018 and Item 367.9 April 2019. Health and safety risk assessments are carried out for specific events organised by the council e.g.: Apple day, remembrance day. RECOMMENDATION: a. Council considers adding to their financial risk assessment other areas of risk e.g.: non-compliance to legislation, not updating Standing orders etc. b. Risk Assessment rating (likelihood x severity) be added to the risk assessment c. Included evidence showing how areas of risk have been mitigated.
3.3	Is insurance cover appropriate and adequate?	Yes	No	The level and range of insurance cover appears to be adequate for the size of the Council. £10M Employers' liability insurance £500k Appropriate level of fidelity guarantee insurance £10M Public Liability
3.4	Evidence of annual insurance review?	Yes	No	The insurance is renewed annually in May every year. Insurance cover is currently placed with specialist brokers Came & Company, who insure through AXA Insurance UK PLC for all insurances. A 1 year policy was taken out on 15 th May 2018, which expires on 14 th May 2019. A competitive review was not undertaken prior to the 2018 renewal. RECOMMENDATION: Council considers a competitive review of insurance providers when next possible.
3.5	Internal financial controls documented and evidenced?	Yes	No	The Council approved a Risk Assessment and Review of Internal Controls statement in April 2018, item 302.1. It is reviewed and approved annually. In addition, effective and acceptable financial control procedures are operative as stipulated in the Financial Regulations.
3.6	Minutes initialled, each page identified and overall signed?	Yes	No	Minutes of all Council meetings are currently initialled on each page of a master copy by the Chair of the meeting and the final page is signed and dated at the meeting when they are approved. Each minute is identifiable by a unique sequential number month on month. All pages of the minutes are sequentially numbered for only each month.

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3. Risk Management				Comments & Recommendations
				<p>RECOMMENDATION: Minutes do not follow agenda item numbering and a recommendation has been made under item 2.8 that agenda numbering is changed so that it is sequential month on month. Council should ensure that loose leaf minute pages are consecutively month on month (as they would be if in a book).</p>
3.7	Regular reporting and minuting of bank balances?	Yes	No	<p>Bank balances are not presented to Council at each meeting as part of financial reporting.</p> <p>RECOMMENDATION Bank balance to be part of regular financial reporting (perhaps add to bank reconciliation).</p>
3.8	S137 expenditure minuted?	Yes	No	N/A as the Council has adopted the General Power of Competence.

4. Budget				Comments & Recommendations
4.1	Annual budget prepared to support precept?	Yes	No	A detailed budget is prepared annually by the Clerk in consultation with Councillors.
4.2	Has budget been discussed and adopted by Council?	Yes	No	The budget for the financial year being audited was reviewed and approved by the Council at its 14/12/2017 meeting in line with the setting of the precept.
4.3	Any reserves earmarked?	Yes	No	<p>The Council holds funds listed as earmarked reserves for major capital projects and is budgeting / precepting annually to cover the cost of these future projects e.g.: allotment provision. A detailed list of projects with amounts required to complete and amounts set aside in reserves was reviewed. There is, in practice, no upper or lower limit to EMR save only that they must be held for genuine and intended purposes, and their level should be subject to regular review and justification (at least annually), and should be separately identified and enumerated. This requirement has been satisfied.</p> <p>General Reserve should be maintained at between three (3) and twelve (12) months Net Revenue Expenditure (N R E).</p>
4.4	Is the actual spend v budget monitored during the year with corrective action taken when necessary?	Yes	No	The Clerk provides a regular update to Council. Minute refs all refer: Item 302.4 April 2018, Item 73.2 October 2018, Item 254.1 January 2019. Any overspend on budget is approved by Council with funds journalled over.
4.5	Any unexplained variances from budget?	Yes	No	All explained as per the Annual Return and from financial reports presented to Council.
4.6	Precept demand correctly minuted?	Yes	No	The approved precept demand of £92,528 was forwarded to central Bedfordshire Council by the deadline, was correctly minuted, and excluded any support grant (CTSG).

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5. Payroll – Clerk				Comments & Recommendations
5.1	Contract of employment?	Yes	No	The Clerk received a combined contract of employment and job description following appointment in August 2013. Contract reviewed and re-issued on 19/04/18 and based on NALC model contract.
5.2	Tax code issued/contracted out?	Yes	No	The Clerk is remunerated through the payroll (HMRC Tools) and has an applicable tax code (BR).
5.3	PAYE/NI evidence?	Yes	No	The payroll confirmed that the Clerk's salary was subject to PAYE and NI.
5.4	Has Council approved the salary paid?	Yes	No	The Council's payroll is completed in house using HMRC Tools software. The Clerk's salary is approved within the setting of the annual budget and as required throughout the year (last approved 14/02/19 Item ref: 303.4). It is based upon NJC pay scales and on agreed hours worked per month. The Clerk receives a net monthly payment, for which Council approve the salary payment on the expenditure payment approvals list.
5.5	Other payments reasonable and approved by Council?	Yes	No	Other than the fixed monthly salary payment, no other remuneration or payments are made to the Clerk. The Council is registered for pensions auto enrolment, however, the Clerk has chosen to opt-out for pension's auto enrolment and the Council therefore does not have set up a default pension scheme.

6. Payroll – Other				Comments & Recommendations
6.1	Contracts of employment?	Yes	No	N/A as there are no other employees
6.2	Does the Council have employers' liability cover?	Yes	No	The Council has employer's liability cover of £10M.
6.3	Tax code(s) issued?	Yes	No	N/A as there are no other employees
6.4	Minimum Wage paid?	Yes	No	The Clerk's remuneration exceeds both the applicable Minimum Wage and Living Wage.
6.5	Disciplinary, Grievance & Complaints procedures in place?	Yes	No	The Clerk's contract of employment includes sections relating to grievance and disciplinary procedures however this is not evidenced. RECOMMENDATION Council adopts a Grievance and Disciplinary Procedure.

7. Asset Control				Comments & Recommendations
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7. Asset Control				Comments & Recommendations
7.1	Does the Council keep a register of all material assets owned?	Yes	No	The Clerk is responsible for maintaining the manual asset register.
7.2	Is the asset register up to date?	Yes	No	The asset register was up to date as at the financial year-end. Assets were purchased in in the financial year under review. The asset register when reviewed is added to the meeting minutes.
7.3	Value of individual assets included?	Yes	No	A minimum value is not applicable for an asset to be listed on asset register.
7.4	Inspected for risk and health and safety?	Yes	No	N/A

8. Bank Reconciliation				Comments & Recommendations
8.1	Is there a bank reconciliation for each account?	Yes	No	Reconciliations are undertaken monthly for the bank accounts held by the Council: <ul style="list-style-type: none"> Unity Trust (current) Account; bank statements received monthly. The main account for online, cheque payments and receipts. Cash Plus Card; money transferred to it as required for internet purchases. Acts much like a petty cash account.
8.2	Reconciliation carried out on receipt of statement?	Yes	No	All bank accounts are reconciled individually on receipt of statement. The Chairman reviews bank reconciliations on a quarterly basis. RECOMMENDATION Reconciling the cash book to bank statements should be reported to members, and the each bank reconciliation made available for their scrutiny each time it is done. Approval of the bank reconciliation by full Council is not only good practice but it is also a safeguard for the RFO and may fulfil one of the authority's internal controls.
8.3	Any unexplained balancing entries in any reconciliation?	Yes	No	All balancing entries fully explained.
8.4	Is the bank mandate up to date?	Yes	No	The Unity Trust bank mandate is updated and approved by the Council at the Annual Meeting in May and as required throughout the year. This mandate authorises 4 Council members as signatories: Chris Bidwell, Barrie Dack, Penny Daffarn and Nathan Hanks. The Clerk is not an approved cheque signatory on the mandate. The Clerk is recognised by the bank for administrative and communication purposes and to set up transfer of funds and payments. Any 2 of the nominated signatories are required to sign cheques and authorise online payments. All Council signatories on the bank mandate were still Council members at the end of the current financial year.

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9. Year-End Procedures				Comments & Recommendations
9.1	Year-end accounts prepared on correct accounting basis?	Yes	Ne	Day to day and year-end accounts are prepared on a Receipts and Payments basis.
9.2	Bank statements and ledger reconcile?	Yes	Ne	A full reconciliation of each bank statement to the corresponding account in the ledger as at 31 st March has been prepared and will be reviewed and approved by the Council in May 2019.
9.3	Underlying financial trail from records to presented accounts?	Yes	Ne	The manual accounting system provides a satisfactory audit trail to the underlying financial records.
9.4	Where applicable, debtors and creditors properly recorded?	Yes	Ne	Although not required to be recorded in the Receipts and Payments Accounts (i.e. cash based accounts), no outstanding debtors or creditors were identified at the financial year-end.
9.5	Has Council agreed, signed and minuted sections 1 & 2 of the Annual Return?	Yes	Ne	Section 1-Annual Governance Statement to be signed by the Council chair on 16/05/19 however it has been approved by Council on 11/04/19. Section 2-Accounting Statements to be presented to the Council for signing at the meeting of 16/05/19 however it has been approved by Council on 11/04/19.

10. Miscellaneous				Comments & Recommendations
10.1	Has the Council adopted a Code of Conduct?	Yes	Ne	The Council adopted a Code of Conduct in 2013 (as per Central Bedfordshire Council) and which is now to be reviewed and updated as applicable in May 2019.
10.2	Is eligibility for the General Power of Competence properly evidenced?	Yes	Ne	The Council meets the criteria for the General Power of Competence and this was adopted in in May 2015 (min ref. 11).
10.3	Are all electronic files backed up?	Yes	Ne	Finance and Admin files are backed up continually to the cloud (One Drive). RECOMMENDATION: That a secondary back up of data on the Clerk's PC is undertaken to provide extra data security.
10.4	Do arrangements for the public inspection of records exist?	Yes	Ne	Notice of audit displayed as per external audit instructions (includes AGAR, declaration of 'unaudited' accounts and statement on how public rights can be exercised /notice of conclusion of audit and additional information from external auditor). Outside of this period, inspection of records can be undertaken by prior appointment.
10.5	Is the Council correctly registered with the Information Commissioner's Office (ICO) as a Data Controller for the provision of council services? Is DPO listed on certificate?	Yes	Ne	The Council is registered with the ICO - Certificate Number ZA020710 - end date 01/10/2019. The DPO is listed on the certificate. RECOMMENDATION: The address of the DPO with the ICO to be amended.

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10. Miscellaneous				Comments & Recommendations
10.6	Was the Annual Parish Council meeting held within the required timescales?	Yes	No	Yes
10.7	Is a Complaints Procedure in place?	Yes	No	Yes, last reviewed May 2018
10.8	Is a Freedom of Information Policy in place?	Yes	No	Yes, last reviewed May 2018
10.9	Is an Investment Policy / strategy in accordance with the MHCLG guidance in place?	Yes	No	Investment Policy not in place but required. RECOMMENDATION: The Council is legally required from 01/04/18 to develop and adopt a formal Investment Policy / Strategy. This is known to be in progress

11. Charities				Comments & Recommendations
11.1	Charities reported and accounted separately?	Yes	No	N/A The Council is not a trustee, nor involved in the administration of any charity.
11.2	Have the Charity accounts been separately audited?	Yes	No	N/A
11.3	Have the Charity accounts and Annual Return been filed within the legal time limits?	Yes	No	N/A

12. Burial Authorities				Comments & Recommendations
12.1	All money received corresponds with the number of burials/cremations recorded and memorial permits issued?	Yes	No	N/A
12.2	Are fees levied in accordance with the Council's approved scale of fees and charges?	Yes	No	N/A
12.3	Have all statutory books been kept safe and up to date? If electronic copies are held, are these backed up regularly?	Yes	No	N/A
12.4	Do all internment of ashes have a certificate of cremation?	Yes	No	N/A
12.5	Have the necessary permits, permissions, and transfer of Exclusive Burial Right (EBR) been completed correctly, documented and approved?	Yes	No	N/A

13. Income Controls				Comments & Recommendations
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13. Income Controls				Comments & Recommendations
13.1	Is income properly recorded and promptly banked?	Yes	No	Receipts (acknowledgments) are issued for payments received, when requested. Cash and cheques are banked as soon as is practically possible. Outside of the precept, bank interest and the VAT reclaim there is minimal other income e.g. contribution from Central Bedfordshire Council towards grass cutting, grant receipt from BRCC towards orchards, goodwill payment from Anglian Water and receipt of balance of funds from Youth club when closed.
13.2	Does the precept recorded agree to the Council Tax authority's notification?	Yes	No	The precept was received in the following instalments and recorded in the accounts: April 2018: £46,764.00 (50.0% of annual precept), September 2018: £46,764.00 (50.0% of annual precept), The total precept received for 2018/19 was £93,528.00 as per the Central Bedfordshire Council notification.
13.3	Are security controls over cash adequate and effective?	Yes	No	Prior to banking, any cash and cheques (which are minimal) are kept by the Clerk in a lockable location her office, for which only she has a key. Cash from events is collated by the clerk and a nominated councillor and passed to the Clerk asap for banking.

14. Petty Cash				Comments & Recommendations
14.1	Is all petty cash spent recorded and supported by VAT receipts where applicable?	Yes	No	One petty cash float is operated by the Council for Apple Day. Money is banked on the first banking day immediately after the event. VAT receipts are obtained wherever possible. Apple Day expenditure appears as a separate item on the Cheque Listing report. Note: The Cash Plus Card held by the Clerk is operated like a Petty Cash account. The card is topped up with £300 as and when required and is used for approved purchases made online or those that would normally be paid for with cash e.g.: postage stamps.
14.2	Is petty cash expenditure reported to Council?	Yes	No	Apple Day petty cash income and expenditure is presented to Council for approval. Note: Cash Plus Card statement reported to Council as and when received.
14.3	Is petty cash reimbursement carried out regularly?	Yes	No	N/A

15. Internal and External Auditor Recommendations				Comments & Recommendations
15.1	Have points raised at the last internal and external audit been addressed? Minute ref: Item 46.1 May 2018 and Item 81 June 2018	Yes	No	
	<i>Ref</i> <i>Action Recommended</i>			

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15. Internal and External Auditor Recommendations				Comments & Recommendations	
		<i>Revision required to Model Standing Orders to include transparency requirements under new legislation, revised public contracts legislation for contracts in excess of £25k and GDPR legislation.</i>	Yes	No	<p><u>CURRENT STATUS:</u> Standing orders revised in May 2018 and have been revised since in September 2018.</p> <p>√ ACTIONED</p>

ANNUAL RETURN		Year Ending 31 March 2018	Year Ending 31 March 2019
1	Balances brought forward	203,755	211,027
2	Annual precept	89,404	93,528
3	Total other receipts	6,462	30,323
4	Staff costs	7,211	10,431
5	Loan interest/capital repayments	0	0
6	Total other payments	81,383	129,995
7	Balances carried forward	211,027	194,452
8	Total cash and investments	211,027	194,452
9	Total fixed assets and long term assets	14,416	28,734
10	Total borrowings	0	0
11	Section 4 Annual return figures completed and cross referenced?		

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TRANSACTION SPOT CHECK						
Check No.	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
Transaction type	Invoice	Salary	Invoice	Invoice	Invoice	Invoice
Supplier/Customer	Hislop and Co	K Henshaw	Sparkx	EE	Epic Productions Ltd	Mazars
Invoice/Transaction No.	6730	n/a	1965	V01562265395	I22278	1455351 SB09966
Invoice/Transaction date	25/03/19	1/3/19	7/1/2019	23/11/18	27/9/18	24/9/18
Goods/services supplied	Dog bin install	February wages	Christmas Lights Removal	Mobile Phone	Printing – banner	External Audit
Ledger date	26/03/19	1/3/19	17/1/19	3/12/19	16/10/19	25/9/18
Ledger Reference	182	166	146	118	95	76
Item/Budget heading	Recreation	Wages	Recreation	Admin	Apple Day	Admin
Ref/cheque No.	182 – Bank Transfer	166 – Bank transfer	146 – Bank Transfer	118 – Direct Debit	95 – Bank Transfer	76 – bank transfer
Authorised by	Penny & Barrie	Penny & Barrie	Chris & Penny	Reviewed May 2018 but 2 year contract	Penny & Barrie	Penny & Barrie
Order Minute Ref	Contract 93 - 259.1	n/a	Contract 80 – 99.1		Part of Apple day agreed budget	n/a
Delivery evidence	Installed	n/a	Removal	Service received	Item received	Yes
Payment minute ref	367.11	335.1	303.2	241.2	205.1	173.3
Insurance value	None	n/a	n/a	n/a	n/a	n/a
Payment value	180.00	874.61	384.00	9.98	189.60	360.00
Statement value	180.00	874.61	384.00	9.98	189.60	360.00
Timely payment	Yes	Yes	Yes	Yes	Yes	Yes
VAT recorded	30.00	n/a	64.00	1.66	31.60	60.00
S137 recorded in ledger	N/a	n/a	N/a	n/a	N/a	n/a
S137 minuted	N/a	n/a	N/a	n/a	N/a	n/a
Notes						
Pass	✓	✓	✓	✓	✓	✓

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TRANSACTION SPOT CHECK						
Check No.	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>
Transaction type	Invoice	Donation to Comm. Hall Charity	Invoice	Grant – rent to be paid	Internet Invoice	Cash Plus Transfer
Supplier/Customer	Furnitubes	The Bowls Shop	Love Brewing Ltd	Fairfield community Hall	Ebuyer.com	Cash Plus
Invoice/Transaction No.	224977	None	SI 161524	Scouts 06/18	24125580	n/a
Invoice/Transaction date	14/2/19	4/1/19	18/09/18	31/05/18	20/06/18	n/a
Goods/services supplied	Radial Bench	Mat and holding unit	Cider Press & Crusher	Hall hire	Toner cartridge	Transfer to Cash Plus
Ledger date	22/2/19	04/01/19	19/09/18	6/7/18	20/06/18	2/7/19
Ledger Reference	164	141	71	45	34	40
Item/Budget heading	Orchards	Recreation	Orchards	Recreation	Admin	n/a
Ref/cheque No.	164 – Bank transfer	141 – bank transfer	71 – bank transfer	45 – bank transfer	34 – Cash Plus	40 – bank transfer
Authorised by	Penny & Barrie	Penny & Barrie	Penny & Barrie	Pennie & Barrie	Clerk then Penny & Barrie	Council Penny & Barrie online
Order Minute Ref	Contract 62 – Part of s106 public arts funding	Contract – 190.5	Part of Orchards Budget	July 2017	Stationery order permission to order without authorisation.	
Delivery evidence	Installed and receipt evidenced before payment	Items received	Items received	Service provided	Delivery Note	n/a
Payment minute ref	335.1	164.1	173.3	109.1	109.1	109.1
Insurance value	5820.00	n/a	433.45	n/a	n/a	n/a
Payment value	6984.00	3108.00	520.14	150.00	118.98	300.00
Statement value	6984.00	3108.00	520.14	150.00	118.98	300.00
Timely payment	Yes	Yes	Yes	Yes	Yes	Yes
VAT recorded	1164.00	518.00	86.69	0.00	19.83	0.00
S137 recorded in ledger	n/a	n/a	n/a	n/a	n/a	n/a
S137 minuted	n/a	n/a	n/a	n/a	n/a	n/a
Notes						Clerk requests £300 to card to cover purchases
Pass	✓	✓	✓	✓	✓	✓

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Comments

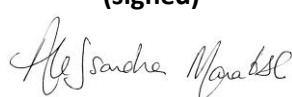
The overall internal audit assurance rating is: **GOOD**.

A full report of audited areas is included above together with recommendations. I have also attached an Action Report including all recommendations.

I have concluded that, on the basis of the programme of work undertaken this year, the Parish Council has maintained adequate and effective internal control arrangements. I have completed and signed the “Annual Internal Audit Report” in the year’s AGAR, having concluded that the control objectives set out in that report were being achieved throughout the financial year to a standard adequate to meet the needs of the Parish Council.

Acknowledgments

Timely responses to the pre-audit questionnaires completed by both the Clerk and Chair, is of a great help preparing for the audit. The help and co-operation of Katrina Henshaw, Clerk to the Council is much appreciated.

Internal audit carried out by	(signed) 	(print) Alessandra Marabese
Audit type (delete as appropriate)	INTERIM ANNUAL	
Date	01/05/19	

For internal auditor’s use only

Annual Internal Audit Report form completed and signed	01/05/19
Internal audit report sent to Council	09/05/19

ACTION PLAN - Year Ending: 31 March 2019

2018/2019 Auditor Recommendations				
Ref	Action Recommended	Actioned		FPC Proposed action plan
2.3	Revision required to Financial regulation to include requirement to have an Investment Policy/Strategy.	Yes	No	
2.5	Council should review the Equal Opportunities policy.	Yes	No	
2.8	Agenda numbering sequence to be sequential month on month and reflect minute numbering for easier cross referencing.	Yes	No	
3.2	a. Council considers adding to their financial risk assessment other areas of risk e.g.: non-compliance to legislation, not updating Standing orders etc. b. Risk Assessment rating (likelihood x severity) be added to the risk assessment c. Included evidence showing how areas of risk have been mitigated.	Yes	No	
3.4	Council considers a competitive review of insurance providers when next possible.	Yes	No	
3.6	Council should ensure that loose leaf minute pages are consecutively month on month (as they would be if in a book).	Yes	No	
3.7	Bank balance to be part of regular financial reporting (perhaps add to bank reconciliation).	Yes	No	
6.5	Council adopts a Grievance and Disciplinary Procedure.	Yes	No	
8.2	Reconciling the cash book to bank statements should be reported to members, and the each bank reconciliation made available for their scrutiny each time it is done. Approval of the bank reconciliation by full Council is not only good practice but it is also a safeguard for the RFO and may fulfil one of the authority's internal controls.	Yes	No	
10.3	That a secondary back up of data on the Clerk's PC is undertaken to provide extra data security.	Yes	No	
10.5	The address of the DPO with the ICO to be amended.	Yes	No	
10.9	The Council is legally required from 01/04/18 to develop and adopt a formal Investment Policy / Strategy. This is known to be in progress	Yes	No	