

Annual Internal Audit Report 2017/18

COBERLEY PARISH COUNCIL

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation **during** the financial year ended 31 March 2018.

The internal audit for 2017/18 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.			✓
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓	✓	
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
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.	✓		
K. (For local councils only)			
Trust funds (including charitable) – The council met its responsibilities as a trustee.			Not applicable

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed). *Please see attached*

Date(s) internal audit undertaken

14/5/18

Name of person who carried out the internal audit

ELIZABETH GRIFFITHS.

Signature of person who carried out the internal audit

[Redacted Signature]

Date

14/5/18

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Dear Claire

Thank you for the information supplied for the audit – a well laid out and comprehensive set of documents, well done.

My suggestion for next year please would be to carry out a review of the fixed assets.

The current schedule dates from March 16 and doesn't appear to have been reviewed since then. They don't appear in the statements I'm auditing as such but if you're placing reliance in this asset register then it is worth doing an annual inventory check that the items still exist and giving some consideration to what their current value is.

You could choose to write them down in value over time or perhaps to budget some money to build up a fund for repairs or replacements. Some items may last a long time (the sun dial?) but I'd question whether the telephone box still has value if it's no longer in use and whether notice boards erected 10 years ago (ditto mowers and strimmers etc) are still in good repair and should hold their original value in the register.

The defibrillator that was purchased this year should arguably be included on the register so that's an amendment that can be made with the other review points. I did question the fixed asset register last year but there doesn't appear that any further assessment of the items has been made.

Well done again on the very comprehensive record keeping. Please do consider though a review of the assets as this area of the council's financial monitoring isn't reflecting the excellent standard upheld elsewhere.

Kind regards



Elizabeth Griffiths

ACMA