

# BRICKENDEN LIBERTY PARISH COUNCIL

INTERNAL AUDIT REPORT 2016/17

AREA COVERED	OBSERVATIONS	RECCOMENDATIONS
Proper Accounting Records	<p>Accounts have been maintained in a hand written ledger and transferred on to a spreadsheet.</p> <p>The new Clerk is introducing a new computerised accounting spreadsheet that will be easier to analyse.</p> <p>The village hall is owned by the Parish Council which pays for it to be insured. The income and other payments for the hall are not included in the Parish Council accounts but are managed from a separate bank account. These funds have not been subject to this audit. It is noted that the deeds of the hall stipulate the setting up of a hall committee to manage the facility.</p>	<p>None.</p> <p>Recommend an investigation into the legal position on administering the hall committee funds to determine if they should be subject to Parish Council audit arrangements.</p>
Financial Regulations met	<p>Standing Orders were adopted 23<sup>rd</sup> March 2017</p> <p>Financial Regulations adopted 23<sup>rd</sup> March 2017</p>	<p>Recommend an annual review to be minuted.</p> <p>Recommend an annual review to be minuted</p>
<p>Payments supported by invoices</p> <p>Payments Approved</p>	<p>All payments are supported by invoices.</p> <p>At present the Clerk is the only signatory on the cheques.</p>	<p>None.</p> <p>Recommend that as the current bank account does not have the facility to add more than one signatory the Council should consider changing account or bank that will</p>

VAT accounted for	<p>The Council is preparing to enable online payments.</p> <p>VAT agrees with cash book.</p>	<p>permit two Councillors to sign cheques and not the Clerk.</p> <p>Recommend that when online banking is introduced the Council implement a system of control equivalent to two Councillors signatures.</p> <p>None.</p>
Assessed Significant Risks	Financial Risk Assessment has been adopted.	Recommend an annual review to be minuted.
Insurance Cover Adequate	Adequate insurance to cover hall, Councillor & staff liability & fidelity insurance	None.
Annual precept resulted from adequate budgetary process	Precept set and notified to East Herts Council	None.
Progress against budget was monitored	No evidence that in-year progress of income/expenditure against budget is monitored but new accounting spreadsheet will address this.	None.
Reserves appropriate	The reserves are 131% of precept and are adequate.	None.
Income was fully received	Major income is the precept.	None.

Petty Cash	No petty cash facility.	
Salaries and Allowances	A new Clerk has been appointed and this is recorded in the minutes. The Clerk has a contract of employment in place. The Clerk's salary & expenses are not differentiated in accounts but this will be addressed in new accounting system.	None.  None.
Allowances to members	The Chairman receives an annual allowance of £120	Recommend an annual review to be minuted.
PAYE operated and applied	PAYE is not applicable. Clerks salary is submitted to HMRC RTI	None.
Asset Register complete accurate and maintained	No evidence of a maintained asset register.	Recommend setting up and maintaining asset register.
Periodic and End of Year bank reconciliations were properly carried out	Evidence of two monthly & annual bank reconciliations carried out and presented to Council.	None.

Janet Pearce

23<sup>rd</sup> May 2017