

Boston Spa Parish Council - Internal Audit Report

For the Full Financial Year 2018 / 2019

The audit covered the full financial year 2018 / 2019 and was undertaken on 14 May 2019.

Findings	Recommendations	Actioned	
		Initials	Date
Proper Book-keeping			
Cash book entries are maintained on a monthly basis and are up to date. Accounts are printed and filed on a monthly basis.			
Records examined were found to be arithmetically correct.			
The cashbook is balanced at each month end to bank statements, principally for the NatWest current account.			
Standing Orders and Financial Regulations compliance + Payment Controls			
Approved Standing Orders and Financial Regulations are on file.			
The Clerk to the Parish Council is appointed as the Responsible Finance Officer (there has been a change of Clerk in the period covered).			
All bar one payment (£115 in February 2019 related to training for the new Clerk to the Parish Council) are minuted and authorised for payment. All payments sampled are supported by invoices.	Minutes		
Appropriate quotations and tendering has been undertaken for purchases above the approved de minimus levels.			
Inspected cheque stubs should be double signed and specify the payee. Exceptions are:- Cheque 808 - £75.00 payable to the Royal British Legion This cheque stub bears no signatures.	Chq stubs		
VAT on payments has been identified and reclaimed.			
No unusual financial activity has been identified			
Risk Management Arrangements			
Risk Register, assessment and controls are on file.			
Adequate insurance cover is in place against the approved Asset Register.			
Financial controls are documented and reviewed regularly.			
Budgetary Controls			
The Council have prepared and approved a detailed budget for 2019/20.			

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Expenditure against budget is recorded on a monthly basis and presented to the Council. Variance against budget is adequately reported.			
<p>Income has been correctly recorded and promptly banked with the following exceptions:-</p> <p>Receipt of 2x payments of £172.80 + VAT and £890.00 all in July 2018 have not been minuted as income.</p> <p>These sums relate to bunting which was purchased on behalf of Boston Spa Festival and donations raised as part of the festival. Adequate explanation of the items has been provided by the Clerk which are recorded in the cash book with appropriate notation.</p>	Minutes		
Income Controls			
The precept recorded agrees with the Council Tax authority's notification.			
Banking takes place frequently and only limited cash is handled.			
Petty Cash			
No cash is handled on a day-to-day basis.			
Payroll Controls			
The Clerk's contract of employment is on file (there has been a change of Clerk during the year with a period of overlap).			
Other payments made to employees are reasonable, supported by receipts and approved by the Council.			
PAYE calculations are on file and payments are up to date.			
Asset Controls			
The Council maintains an Assets Register of all material assets with register on file.			
Adequate insurance is in place at a level commensurate with the Assets Register.			
Bank Reconciliation			
There are adequate and regular bank reconciliations. The reconciliation is carried out to the cash book monthly for the NatWest current account.			
There are no unexplained balancing items.			
Year End procedures			

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Year-end accounts are prepared on a receipts and payments basis in accordance with 'Governance and accountability in Local Councils'.			
Accounts agree with the cash book.			
There is an audit trail from the underlying financial records to the accounts.			
Debtors and Creditors at the year-end are accurately recorded within the bank reconciliation.			

This report covers the findings of an audit carried out on a random sampling basis; therefore it should not be assumed that areas of concern may not exist within the financial records which were not identified within the sample selected for audit. The audit was conducted based on the accounts file and supporting relevant chequebooks and paying-in books available on 14 May 2019 and explanations provided by the Clerk.

Richard Dorsey
Internal Auditor
15 May 2019



