

**Waterbeach Parish Council**

**Draft Interim Internal Audit 2017-18**

**Summary of work carried out, conclusions and recommendations**

Internal control objective	Work carried out	Conclusions	Recommendations
<p><b>A</b> Appropriate accounting records have been kept properly throughout the year.</p>	<p>We have reviewed the accounting process and are satisfied with the accuracy of the accounting records</p>	<p>The internal control objective has been achieved.</p>	<p>None – the system is working satisfactorily. Council Response</p>
<p><b>B</b> The council's financial regulations have been met, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.</p>	<p>We have reviewed the Financial regulations which we consider to be adequate for the size and scope of the council's activities. We have tested the supporting documents to the transactions and we have agreed the treatment of VAT.</p>	<p>The internal control objective has been achieved</p>	<p>None – the system is working satisfactorily Council Response</p>
<p><b>C</b> The council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</p>	<p>We have reviewed the Risk Register and given consideration as to whether all significant risk have been identified, correctly assessed and appropriate actions taken to mitigate the risk.</p>	<p>The Risk Register appears comprehensive covering all areas of activity for the Council. Risks have been adequately assessed. Actions to be taken to mitigate risks are currently under consideration.</p>	<p>The Council should ensure all risks identified are assigned actions to mitigate the risk where necessary including details of who should be responsible for undertaken such action. Council Response</p>

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<p><b>D</b> The annual precept requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.</p>	<p>We reviewed the evidence of the budgeting process, from the Minutes of meetings</p>	<p>We consider the budgetary process to be adequate</p>	<p>Forward projections are reviewed each year in the light of advice from Central Government and District Councils over projected future funding. This is a sound policy</p> <p>Council Response</p>
<p><b>E</b> Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.</p>	<p>The significant amounts of one-off income are by definition intermittent but the figures are in line with our expectations, based on our enquiries and visual inspection. Precept receipts received has been agreed.</p>	<p>The income is reasonably stated</p>	<p>None – the system is working satisfactorily.</p> <p>Council Response</p>
<p><b>F</b> Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.</p>	<p>Not applicable – there is no petty cash</p>	<p>We do not consider that it is necessary for the council to use petty cash</p>	<p>Not applicable</p> <p>Council Response</p>

# MOORE STEPHENS

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<p><b>G</b> Salaries to employees and allowances to members were paid in accordance with council approvals, and PAYE and NI requirements were properly applied.</p>	<p>We have undertaken an analytical review of salaries to date and have been about to account for significant variances. We have tested the payroll deductions and payroll approvals for one month, and the postings to the nominal ledger. We also tested that the payments of net salaries and deductions were made by the required dates.</p>	<p>The results of the tests were satisfactory</p>	<p>None – the system is working satisfactorily. Council Response</p>
<p><b>H</b> Asset and investments registers were complete and accurate and properly maintained.</p>	<p>We have reviewed the fixed asset register. It covers all expected categories of assets and there are no obvious omissions</p>	<p>The result of the test was satisfactory</p>	<p>None – the system is working satisfactorily. Council Response</p>
<p><b>I</b> Periodic and year-end bank account reconciliations were properly carried out.</p>	<p>We have reviewed the bank reconciliations for the year and verified the figures for two random months.</p>	<p>Bank reconciliations are properly prepared.</p>	<p>None – the system is working as required. Council Response</p>

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<p><b>J</b> 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, were supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded.</p>	<p>We are satisfied that the council has used the correct accounting basis for preparation of the accounts. We have examined the audit trail and the basis for recording debtors and creditors. We are satisfied that the Council has adequate resources to prepare accruals accounts from the SCRIBE accounting software which is operated on a cash basis.</p>	<p>The accounting statements are maintained in the required manner and detailed information is available on all transactions.</p>	<p>None – the system is working satisfactorily. Council Response</p>
<p><b>K</b> Trust funds (including charitable). The council met its responsibilities as a trustee.</p>	<p>There are no Trust funds</p>	<p>Not applicable</p>	<p>Not applicable Council Response</p>