

Internal Audit Check

Hemingford Abbots Parish Council – y/e 31 March 2020

A Appropriate books of account have been properly kept throughout the year

Check cash book properly written up and balanced	Accounts kept on Rialtas system. September entries chosen for detailed examination	1
Verify selection of items against bank statement	Payments as above match	1

B The Council's Financial Regulations have been met

Standing Orders formally adopted and correspond to the latest good practice	Standing Orsers adopted 29/5/2019	1
Financial Regulations formally adopted and correspond to the latest good practice	Financial Regulations adopted 29/5/2019	1
RFO appointed and clear duties listed	Ramune Mimiene became Clerk and RFO on 6 January, 2020.	1
Check selection of large or unusual purchases to ensure FRs followed	There was only one purchase of more than £1,000 (+VAT) to Elite pre-cast concrete for bunds	1

B Payments were supported by invoices, expenditure was approved and VAT properly accounted for

Check selection of payments to ensure properly authorised.	September payments properly approved at September Council meeting (note salary payments were redacted on public minutes)	1
Check vouchers relating to above	Only one payment was for an invoice. This was in order	1
Check VAT has been properly accounted for (for income, see below)	VAT is analysed in the software	1
Additionally check random selection of large payments in cash book	None of major significance	1
If electronic banking is used ensure that proper procedures are in place as provided for in the new model Financial Regulations.	Electronic banking with Unity Trust is in use. Proper procedures are followed	1

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Check any s137 for amount, validity	None listed	-
Check VAT reclaim(s) during the year or, if Council is registered, check that VAT returns correspond with the underlying records.	Three claims were made during the year and refunds received	1
C The Council assessed the significant risks to achieving its objectives and had adequate arrangements to manage these		
Formal risk assessment documents available for inspection	Comprehensive Risk Assessment on the website	1
Do the minutes record the council carrying out an annual risk assessment?	RA was approved by the Council on 29 May 2019.	1
Is the insurance cover appropriate and adequate – see also H below	Appropriate Council insurance	1
D The annual precept requirement resulted from an adequate budgetary process		
Has the Council prepared an annual budget in support of its precept?	There is a minute at the meeting on 28/11/2018 that includes approval of the budget for 2019/2020. However no discussion of the details of the budget are recorded	2
Is the precept based upon realistic assumptions including evaluation of required balances?	A precept of £18,912 was agreed but I cannot evaluate its realism. I would note that balances are very high but are explained by a number of allocated reserves. The General Reserve is recorded as being greater than the annual precept.	2
D Progress against the budget was regularly monitored and reserves were appropriate		
Review existence and adequacy of budgetary reports	Detailed reports are regularly circulated	1
Are there any significant unexplained variances?	None identified	1

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E Expected income was fully received, based upon correct prices, properly recorded and promptly banked; and VAT was properly accounted for

Precept paid as requested and banked properly	Paid by BACS	1
Is other income properly accounted for and are adequate procedures in place?	Apart from VAT repayments, no other income is received	1
If appropriate, is the Council VAT registered and, if so, is VAT being properly charged?	Not registered	-

F Petty cash payments were properly supported by receipts, expenditure was approved and VAT properly accounted for

Is all petty cash expenditure supported by VAT receipts?	None	-
Is petty cash expenditure regularly reported back to the Council?		
Is reimbursement carried out regularly?		

G Salaries to employees and allowances to members were paid in accordance with council approvals

Do all employees have properly drawn up contracts of employment?	Clerk's contract in order	1
Has the Council approved all salaries and do payments correspond with these decisions?	All payments approved by Council	1
Are other payments (e.g. expense payments) reasonable and properly approved?	As above	1

G PAYE, NI and pension requirements were properly applied

Check PAYE and NI. Alternatively, if a bureau is used, check the records of payments.	Payroll uses the HMRC tools	1
Check end of year returns or, if a bureau is used, check that the documentation is in order.	As above	1

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Check that requirements for workplace pensions have been followed	Salary below threshold	1
H Asset and investment registers were complete and accurate and properly maintained		
Does the Council have an Asset Register and is it regularly maintained?	The Council has an asset register published on the website and correct up to 29 May 2019. I have seen an asset register prepared since then which covers the values at 31 March 2020; this should normally be published on the website	1
Ensure assets purchased during year (see minutes) are recorded	Non (see above)	1
Do asset insurance values correspond to values in the asset register?	The asset register includes street lights valued at £79,226. These are not included in the insurance policy for physical risks but this point is noted in the Risk Register.	1
I Periodic and year-end bank account reconciliations were properly carried out		
Check for regular (monthly / quarterly) bank reconciliations for all accounts	These are carried out and reported to the Council meetings	1
Are reconciliations accurate and do they contain no unexplained items?	No issues	1
J Year-end accounts were prepared on the correct accounting basis, agreed with cash book, were supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded		
Are year-end accounts produced on the correct basis R&P or I&E)?	R&P	
Verify accounts to cash book	These are generated by the Rialtas software and I have no reason to doubt their accuracy	1
Is there an audit trail from underlying financial records to the accounts? (I&E only)	N/A	
Verify debtors and creditors (I&E only)	N/A	

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K . IF the authority certified itself as exempt from a limited assurance review in 2018/19, it met the exemption criteria and correctly declared itself exempt. (“Not Covered” should only be ticked where the authority had a limited assurance review of its 2018/19 AGAR)

Did the Council satisfy this requirement?	Yes	1
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L During summer 2019 this authority has correctly provided the proper opportunity for the exercise of public rights in accordance with the requirements of the Accounts and Audit Regulations

Check evidence of this	Yes	1
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M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee

Verify this was the case	The Council is sole trustee of Hemingford Abbots Playing Field (20248)	
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Levels of assurance: 1 – high, 2 – substantial, 3 – limited, 4 – minimal, n/c – not covered at this visit

Michael Williamson
 MiJan Ltd
 The Willows, Long Drove
 Waterbeach, Cambridge CB25 9LW
 Tel: 01223 860899
 Mob: 07836 74858
 Registered in England. Company number 1788401