

Cummersdale Parish Council

Annual report to by Internal Auditor together with Annual Return for the year ended 31 March 2019

I confirm that the Internal Audit for the year ended 31 March 2019 has been undertaken and make the following comments and/or observations:

1. Bookkeeping

A computer based system of bookkeeping is now in place and all relevant invoices are retained in order and properly marked to provide a satisfactory audit trail. The cash book and bank statements should be reconciled monthly.

At least once each quarter and at each financial year end a Member, other than the Chairman, **must** sign and date the bank reconciliation and relevant bank statements (Financial Regulations 2.2).

VAT is properly recorded, where necessary, and returns coincide with the year end.

2. Standing Orders/Financial Regulations/Payment Control

Copies of Standing Orders and Financial Regulations were available for review. All payments are supported by relevant vouchers and authorised for payment by the council and minuted and cheques signed by two signatories

An original set of Minutes, properly approved, numbered and signed, is held

3. Budgetary Controls

Proper control is exercised

4. Income Controls

Income received is promptly banked

5. Petty cash

There is no petty cash

6. Payroll

A payroll provider is used and the year end returns have been submitted

7. Asset Control

An up to date asset register is held.

8. Risk Management

A satisfactory form of Risk Assessment and Management is held and a review of insurance undertaken

9. Governance

Members are reminded of their obligations under the Code of Conduct

Proper records are maintained of Members' Interests and Declarations of Acceptance of Office

A proper record is maintained of Members' Attendance at meetings of full council

10. Human Resources

Annual Appraisal of employee undertaken

11. Recommendations

It is important that systems are robust and the following recommendations/observations are made for action/consideration as necessary:

- When using a loose leaf system each and every sheet of Minutes **must** be **signed/initialled** and **dated** by Chairman to provide a secure record of proceedings
- It is good practice that a monthly bank reconciliation is undertaken and this should be signed and dated by a Member as part of Minutes
- Members' written authority under GDPA should be renewed following each election or co-option

12. Annual Audit

The Annual Return has been completed properly and is ready for consideration and approval by Members in preparation for submission to the appointed auditor

David Johnson
Internal Auditor

8 May 2019