

# Herefordshire Association of Local Councils (HALC)

## Internal Audit Service

### INTERNAL AUDIT REPORT

Humber, Ford. Stoke Prior Group PC

2016/17

#### 1. Introduction

Herefordshire Association of Local Councils has carried out an end of year Internal Audit review.

#### 2. Scope of Audit

The scope of the audit covered

2.1 Budgeting

2.2 Accounting records and supporting documents

2.3 Bank Reconciliation

2.4 Investments

2.5 Statement of Accounts

2.6 Standing Orders and Financial Regulations

2.7 Safe and Efficient Arrangements to safeguard Public money

2.8 Employment

2.9 VAT

2.10 Fixed Assets and Equipment

2.11 Risk Management

2.12 Due Process

2.13 Miscellaneous

2.14 Annual Return 2017

#### 3. Findings of the Audit

Scope	Pass	Observation	Rec
Budgeting	√		
Accounting records and supporting documents	√	Copies of invoices/income documents sent for Audit	R.1
Bank Reconciliation	√		
Investments	√		
Statement of Accounts	√		
Standing Orders and Financial Regulation	√		
Safe and Efficient Arrangements to safeguard Public Money	√		
Employment	√		
VAT	√		
Fixed Assets and Equipment	√		
Risk Management	√		
Due Process	√		
Miscellaneous	√		
Annual Return	√		

Scope	Pass	Observation	Rec

#### 4. Recommendations

4.1 For the next Audit original invoices and Income documents should be submitted.

#### 5. Annual Return- Internal Control Objective

	Objective	Yes	No	Not Covered
<b>A</b>	Appropriate accounting records have been kept properly through the year	√		
<b>B</b>	The smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for	√		
<b>C</b>	The smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these	√		
<b>D</b>	The precept or rates requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate	√		
<b>E</b>	Expected income was fully received, based on correct prices, promptly recorded and promptly banked; and VAT was appropriately accounted for	√		
<b>F</b>	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for	√		
<b>G</b>	Salaries to employees and allowances to members were paid in accordance this smaller authority approvals, and PAYE and NI requirements were properly applied	√		
<b>H</b>	Asset and Investments registers were complete and accurate and properly maintained.	√		
<b>I</b>	Periodic and year end bank account reconciliations were properly carried out	√		
<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 cashbook supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded	√		
		<b>Yes</b>	<b>No</b>	<b>N/a</b>
<b>K</b>	Trust funds(including charitable) The council met its responsibility as a trustee			√

*R.A.FORD*

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**On Behalf of HALC Internal Audit Services**