

KINGTON TOWN COUNCIL
EXTERNAL INTERNAL AUDIT REPORT
PERFORMED ON 22 OCTOBER 2015

I conducted the internal audit at the Town Council's premises at the Town Hall. In general I was able to complete my task with no set backs and am happy to report my satisfaction as to the standard of the records and that they are up to date.

AREAS SCRUTINISED

1 Internal internal report

I examined the report produced by the Councillor. This was concise and essentially examined the requisite areas of the records with a few detailed points raised.

2 The Minutes

These were maintained in a very satisfactory manner and covered all the areas expected. All the payments were authorised and referenced to the invoices and cash book, thereby complying with the audit trail requirements.

3 Salaries and PAYE

The Council is registered for PAYE as required. The system has been carried out in accordance regulations and the monthly submissions are completely up to date. Salaries paid are in accordance with Councils instructions.

4 Documentation

Copy invoices are filed for every transaction and the audit trail is effected by the invoice reference number being tied into the minutes and the cash book as appropriate.

5 VAT

VAT is extracted at point of payment through the cash book and, aside from one minor instance highlighted by your own internal aitor, has been correctly identified and claimed back in a timely fashion.

6 Petty Cash

The Council does not maintain a Petty Cash float, all incidental payments being claimed through Clerk's expenses.

7 Cash Book

The cash book has been properly and regularly maintained through the period and reconciliations to the bank accounts performed on a monthly basis. The use of cheques is being phased out and the on-line settlement procedures conform to recognised practice. The system also provides the added check of providing proof of the signatories involve in each transaction.

8 Standing Orders and Financial Regulations

These are maintained on an up to date basis

9 Insurances

Insurances are up to date and comply with the Asset Register.

10 Budget

Budgetting procedures are in force as the basis for Precept application. Regular comparisons are provided against actual figures

11 Accounts

Accounts are produced on Receipts and Payments basis.

Iain Selkirk FCA

Malvern Nov-15