CAM PARISH COUNCIL.
Internal auditor's report for the year ended 31 March 2020
Date of Internal Audit: 15/04/2020 18/06/20 22/06/2020, 24/06/2020 25/06/202
Name of Auditor: Mary Leonard

GAPTC internal audits comply with the proper practices outlined in the Governance & Accountability for Smaller Authorities – A Practitioners' Guide and the Accounts and Audit Regulations 2015.

The GAPTC internal audit reviews and reports on whether the systems of financial and other internal controls over its activities and operating procedures are effective. The audit tests a variety of documents, including agendas and minutes, policies, insurance and risk management processes, to ensure Council meets the requirements set out in the Annual Internal Audit Report in the Annual Governance & Accountability Return. The internal audit does not involve the detailed inspection of all records and transactions of an authority in order to detect error or fraud.

Our auditors are independent of the Council and are competent to be able to carry out the requirements of the internal audit service.

1. Working documents

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
1.1	Have Standing Orders been tailored to council and formally adopted?	Y		Viewed online 16/06/2020
1.2	Have Standing Orders been reviewed and minuted?	Y		Meeting 8th May 2019 minute 19.008
1.3	Have Financial Regulations been tailored to council	Y	Recommend council includes the latest adopted version on the website NALC 2019 Model Financial Regs	The Financial Regs online are the older version. Sept 2019 Minutes how adoption of the 2019 Financial Regs

	and formally adopted?			
1.4	Have Financial regulations been reviewed and minuted?	Y		Meeting 8th May 2019 minute 19.008
1.5	Does the council have a grant awarding policy?	Y	Recommend this policy is reviewed from time to time, if not done so already.	Adopted in 2010. No evidence of a later review.
1.6	Have items / services above the recommended amount been competitively purchased in accordance with Financial and Procurement Regulations? (LARGE COUNCILS)	N/A		Discussed with Clerk 23/06/2020
1.7	Code of conduct reviewed?	Y	Recommend code is reviewed from time to time	Code of Conduct dated 2015 on the website

2. Admin

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
2.1	Has the General Power of Competence been	N/A		Council not fully elected

	adopted (e.g. a minute reference)?			
2.2	Is there a separate account for s.137 payments and within statutory limits?	Y		Viewed on Scribe. No S137 payments made
2.3	Council authorisation of Direct Debit list and Standing Orders?	N	Recommend the minute reflects all that was agreed including regular payments, DD and Standing Orders. Also recommend that list added as an appendix to the minutes.	Meeting May 8th 2019 minute 19.008. This minute refers to regular payments, no reference to DD or Standing orders
2.4	Was Petty Cash expenditure approved, if any?	N/A		
2.5	Receipts issued for cash income?	Y		Photocopying and allotments income. Receipt issued on day. Viewed receipt online
2.6	Is all expenditure supported by VAT invoices, if applicable?	Y		Viewed selection as per the transaction list
2.7	VAT - recorded and paid / reclaimed properly?	Y		Viewed on Scribe; last claim March 2020
2.8	Purpose of loan and power identified, if applicable?	Y		Loan used for Cam PC offices taken out in 2012 Public Works Board Loan £214,000 0/s £142,000 Purchase of Parish Council Building. 2012. Minute 10.140

3. Risk management

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
3.1	Insurance policy in place?	Y		Viewed schedule August 2019 -1st July 2020
3.2	Evidence of review of insurance cover to ensure still fit for purpose?	Y	Recommend that there is also a minute agreeing the Asset Register, not just that the insurance taken out in line with the Asset Register	Cam Parish Full Council July 2019, minute reference 19.FC.057
3.3	Copy of Risk Management policy and Risk Assessment seen?	Y	Recommend that council reviews risk management, in line with Financial reg 17, at least annually.	Financial Risk Policy being updated and not available. Viewed Policy in place for 2019. New policy due to be approved June 2020
3.4	Evidence that internal controls take place and are documented	Y		Minutes confirm some checks taking place. Bank reconciliation, budget payments all done monthly
3.5	Asset register seen and reviewed regularly?	Y	See 3.2 above. Recommend that the Asset Register is reviewed by council and a minute available in line with Financial Regs 14.6	Cannot find minute that council reviewed Asset Register before signing off the AGAR
3.6	Evidence that assets have been inspected for risk, reported in minutes and actions undertaken?	Y		H&S Docs online, playground inspections monthly. Parish-owned public spaces inspected as part of Handyman/Grounds maintenance contract. Defib check monthly. 18.214 FC Feb 2020 – Annual inspection RL 19. 130 monthly report to committee

3.7	Review of investments, including bank accounts?	N	Recommend that the clerk ensures council are aware of the risk of loss and importance of a review.	No evidence in 2019/20. This is still an outstanding and ongoing action. Council have this as an item to carry out.
3.8	Is ‘two councillor signatures’ rule applied for payment orders?	Y	Recommend the payments list is attached to the minutes	Reviewed selection of 2019 minutes. Minutes suggest list attached, however, not available online. (Website updated during audit)
3.9	If credit / debit / prepaid cards in use, are proper procedures in place?	Y		Policy as per Financial regs
3.10	Electronic and physical records backed up?	Y		Use of Office 365 backed up to the cloud

4. Transparency Code

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor’s comments/recommendations	Evidence
4.1	Details of public land and building assets on website (if applicable)?	Y		Website
4.2	Minutes published on website in draft form within one month (mandatory for	Y		Viewed minutes online

	councils with a turnover of less than £25,000)?			
4.3	Compliance with Transparency Code for councils with turnover of less than £25,000 and over £200,000?	Y	Recommend that the council review the Transparency Code and conform to the Code for councils over £200,000 in full. Recommend that all transparency information is clearly labelled and easy to find	Monthly payments on website Link to Code of Conduct and Interests Procurement on website Salaries of staff and Management Chart not easily accessible. These are in a document online but not clear or easy to find.

5. Budgetary controls

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
5.1	Was a budget properly prepared, adopted and minuted?	Y		January 2020 minute 192
5.2	Were the objectives of the reserves identified?	Y		January 2020 minute192
5.3	Was the precept demand properly	Y	Recommend for transparency that the amount of the precept is minuted	Precept referred to as a % increase, actual amount not minuted

	minuted in full council?			
5.4	Did council regularly review bank reconciliations and reconcile them with the cash book?	Y	Recommend that the minute is worded clearly to reflect all that is agreed. Perhaps make payments and reconciliation separate minute items.	Carried out monthly according to the minutes, but no actual details of the reconciliation included with the minutes and the minute only appear to reflect the payments. Payment schedule not included or attached to the minutes as per 5.2 of the Financial Regs
5.5	Did the council regularly compare the actual income and expenditure to the budget (as detailed in the financial regulations) and evidenced in the minutes?	Y	Recommend attached as an appendix to the minutes	Reviewed and minuted monthly but no details available to view.
5.6	Are any significant unexplained variances from budget reported?	Y		Reviewed and minuted monthly

6. Payroll

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
6.1	Do all staff have a contract of employment?	Y		NALC model. Viewed Clerks online

6.2	Do salaries paid agree with those approved by Council?	Y		Viewed Clerk's payslip
6.3	Has the Council registered as an employer with HMRC and have PAYE / NIC been properly dealt with (including year-end procedures)?	Y		Makinsons carry out payroll administration
6.4	Minimum wage paid?	Y		National Living wage paid to one member of staff
6.5	Are Councillor's allowances and expenses properly authorised & controlled, if any?	Y		Policy in place and viewed.
6.6	Pension provision – eligible employees offered pension scheme and outcome minuted?	Y		Pension banding being looked at June 2020. One member of staff only 2 hours so not in scheme
6.7	Has auto-enrolment registration with Pension Regulator been reviewed (if applicable)	Y		Letter of confirmation 16/12/2019 viewed

7. Year-end procedures

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
7.1	Are debtors and creditors recorded properly on separate balance sheet if using Income & Expenditure reporting?	Y		On Scribe shown separately - viewed online
7.2	Council as a whole to consider the year-end accounts?	Y		Reviewed May 2019 minutes
7.3	Annual Governance Statement, section 1 of Annual Return, approved by whole council	y		Reviewed May 2019 minutes 19.FC.015
7.4	Annual Statement of Accounts, section 2 of Annual Return, approved by whole council?	Y		Reviewed May 2019 Minutes 19.FC.016
7.5	Are all sections of the Annual Governance & Accountability Return published on	Y		Website – Finance section

	the website?			
7.6	Previous internal audit report reviewed by council and action taken where recommended?	Y		May 2019 minuted
7.7	Previous external audit report (for councils with turnover over £25,000) reviewed by council and action taken where recommended?	Y		September 2019 minuted

8. Other matters

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
8.1	Policies in place for compliance with GDPR, such as Data Protection Policy for Staff & Councillors and for the public?	Y		Policies on the website
8.2	Is the Council a Managing Trustee?	No		

8.3	Do trustees meet at least once a year and publish separate accounts?	N/A		
8.4	Did council formally appoint GAPTC as the Internal Auditor?	Y		Minute Nov 2019 FC18.153

9. Procedures

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments	Evidence
9.1	Minutes – DPIs or other interests recorded?	Y		Viewed minutes
9.2	Minutes initialled on each page and final page signed?	Y		Viewed FC December 2019 via Zoom 23/06/2020
9.3	List of members' interests held and published on the website?	Y		Link to Councillors' interests on the website.

9.5	Agendas signed and displayed 3 clear days' prior to meeting?	Y		Viewed online
9.6	Summons issued in proper format?	Y		Viewed online

10. Sampling

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
10.1	Is income properly recorded and promptly banked and receipts issued for cash income?	Y		Viewed system on Zoom
10.2	Audit trail for selected sample transactions?	Y		Transaction checklist
10.3	Are registers up to date for council-owned burial grounds and	N/A		

	purchase of Exclusive Rights of Burials certificate completed?			

Expenditure Cam Parish Council

Chq no	£	Payee	Payment Minuted & date	RFO and signatories Invoice / chq stub / payment authority (BACS, internet banking)	Bank statement	VAT	Power to spend	S.137	OK?
Online	1800	Copse and Logger	FC20.012 FC 18.57 June 2018	Paid 5/03/2020 Viewed invoice **approved May 2020 - delay caused by covid 19 and cancelled meetings.**	Viewed	Y	**Open Spaces Act 1906 ss9 & 10**		Yes
Online	4291.67	The Door Youth Project	FC20.012	30/03/2020 **approved May 2020 - delay caused by covid 19 and cancelled meetings.**	Viewed	Y	**Local Gov Act 1972 S111**		Yes
Online	2175	DR Howes	FC20.012 20/03/19 Minute viewed	30/03/2020 **approved May 2020 - delay caused by covid 19 and cancelled meetings.**	Viewed		**Open Spaces Act 1906 ss9 & 10**		Yes
Online	21.60	carter	FC20.012	30/0320 **Viewed Expenses claim approved May 2020 - delay caused by covid 19 and cancelled meetings.**	Viewed	N	**The Local Authorities (Members' Allowances) (England) Regulations**		Yes

							2003 - travel reimburseme nt		
164	101.92	Formation Flooring	FC 19.089	4/09/2019 **Approve FC.**	Viewed	Y	**Local Government Act 1972, s.133 maintain public building**		Yes
165	114	Greenfield garden Centre	RL 18.113	4/09/2019 **Approved FC September. playground inspection**	Viewed	Y	**Open Spaces Act 1906 ss9 & 10**		Yes
173	176.80	Core Facilities	May minute FPGP 19.022	**Approve FC. Local Government Act 1972, s.133 maintain public building**	Viewed	Y	**Local Government Act 1972, s.133 maintain public building**		Yes

Income

Invoice and/or receipt	£	Banked promptly	Bank statement	Ok
Cam Bull Dogs	£4.00	Y	Y	Yes