

Quedgeley Town Council
Internal Controls Audit

Audit Date 15.11.2018
Period Covered Apr - June 2018

Conducted by CLR Anthony Potts

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Review of previous recommendations

No. (year,quarter,number)	Recommendations

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1 Invoices selected for review:

Sample No.	Supplier	Type of service	Date invoice	Amount	BACS/
					Cheque/D/Card
1	South West Hygiene	Goods	19.04.18	£153.60	Bacs
2	Pitney Bowes	Service	03.05.18	£101.45	Bacs
3	Intocleaning	Service	30.06.18	£1,152.00	Bacs
4	Lockshop Direct	Goods	24.05.18	£193	D/Card
5	Werxco	Goods	31.05.18	£72	D/Card

2 Audit

Each of the 5 invoices is used to answer the internal control question 1-7 below. For each invoice mark Y (yes) N (No) for where the evidence has been seen that the control has been carried out for that invoice. Note any issues or explanation in the comments section.

Ref.	Control	Sample check number				
		1	2 ¹	3	4	5
1	Is there a works order for the invoice? (works order not required for purchases from petty cash or services where a contract exists)	Yes	No	No	Yes	Yes
2	Is the invoice checked against the official order prior to authorisation.	Yes	Yes	Yes	Yes	Yes
3	Prior to payment is the invoice confirm receipt of goods or services?	Yes	Yes	Yes	Yes	Yes
4	Do the signatories confirm the cheque or bacs on invoices	Yes	Yes	Yes	Yes	Yes
5	Are the payments reported to the F&GP or full council and recorded in the minutes?	Yes	Yes	Yes	Yes	Yes
6	Have both signatories checked and intialled the counterfoil and signed the invoice.	Yes	Yes	Yes	Yes	Yes
7	Are all purchases lawful?	Yes	Yes	Yes	Yes	Yes

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3 Evidence checks

The following internal controls are to be provided by the office staff upon request. Record the evidence seen and any comments or queries.

Ref.	Control	Evidence shown	Comment
8	Are bank accounts/statements reconciled upon receipt?	Y	F+GP
9	Does a member of the council review and countersign each reconciliation and statement?	y	Chair F+GP
10	Are petty cash payments regularly reconciled?	y	
11	Do the number of employees and salaries paid accord with records?	y	
12	Has VAT been recorded and claimed?	y	Claimed quarterley
13	Is S137 expenditure been separately identified?	y	
14	Is there adequate insurance for the employees, property and public events?	y	10 Million
15	Is the risk assessment reviewed annually?		Annually
16	Are internal controls reviewed?	y	F+GP

4 General checks

Check the general procedures by asking office staff and enquiring further where necessary, record in the comments section of the following table:

Ref.	Control	Evidence shown	Comment
17	Do all cheques require signatures from two authorised councillors?	y	Councillors only
18	Are cheques and cash regularly banked?	y	On a weekly basis
19	Is petty cash regularly reimbursed?	y	£20 trigger point.
20	Are minutes signed when approved?	y	MOM signed each meeting
21	Does the RFO provide regular statements of income and expenditure against budgets?	y	To F&GP monthly
22	Have estimates and budgets been prepared?	y	Reviewed at committee

23	Are cheques and cash regularly balanced	y	Yes weekly
24	Are all contracts dealt with in accordance with financial regulations?	y	
25	Have financial regulations been reviewed?	y	Updated 16.17.18.