

Quedgeley Town Council
Internal Controls Audit

Audit Date 13th March 2019
Period Covered
 October-November-December 2018
Conducted by Cllr Ronald Hughes

Review of previous recommendations

No. (year,quarter,n umber)	Recommendations

Contents

1 Invoices selected for review:.....

2 Audit.....

3 Evidence checks.....

4 General checks.....

1 Invoices selected for review:

Sample No.	Supplier	Type of service	Date invoice	Amount	CHK No
1	PFK Little John	Service	26.9.18	£1,200.00	Bacs
2	Lidl supermarket	Consumables	9.10.18	£11.94	P/Cash
3	Westlands	Goods	10.10.18	£10.28	Bacs
4	Spot On Supplies	Consumables	19.11.18	£53	Bacs
5	S Merrett Services	Maintainance	25.11.18	£720	Bacs

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)	N/A	N/A	N/A	N/A	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?		
9	Does a member of the council review and countersign each reconciliation and statement?	y	Evidence seen
10	Are petty cash payments regularly reconciled?		
11	Do the number of employees and salaries paid accord with records?		
12	Has VAT been recorded and claimed?		
13	Is S137 expenditure been separately identified?		
14	Is there adequate insurance for the employees, property and public events?		
15	Is the risk assessment reviewed annually?	y	Reviewing again on 18.3.2019
16	Are internal controls reviewed?		

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?		
18	Are cheques and cash regularly banked?		
19	Is petty cash regularly reimbursed?	y	Yes
20	Are minutes signed when approved?		
21	Does the RFO provide regular statements of income and expenditure against budgets?		
22	Have estimates and budgets been prepared?		
23	Are cheques and cash regularly balanced		
24	Are all contracts dealt with in accordance with financial regulations?		
25	Have financial regulations been reviewed?	y	Reviewed in June 2018