

# Harwell Parish Council

## Financial Year 2019-20

### Year End Internal Audit Observations

**B** This smaller authority met its financial regulations, payment

No.	Audit Conclusion	
1	The Clerk is not CiLCA qualified	
2	The Council is not using the latest Model Standing Orders	

**E** Expected income was fully received, based on correct price

No.	Audit Conclusion	
1	Cash income is not banked gross, payments are made out of receipts	

**G** Salaries to employees and allowances to members were paid

No.	Audit Conclusion	
1	The Council did not ensure that Clerk Employment contract is signed as agreed.	

**H** Asset and investments registers were complete and accurate

No.	Audit Conclusion	
1	The Council has not reviewed the asset register during the financial year.	

**I** Periodic and year-end bank account reconciliations were performed

No.	Audit Conclusion	
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	1	Year end cash balances were not supported by cashiers certificates	
	2	The Council Year End bank reconciliations have been reviewed, signed and dated electronically.	

**Visit date:**

its were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

Observation	Recommendation
<i>It is understood that the Clerk is not CILCA qualified.</i>	The Council should consider whether the Clerk should be CiLCA qualified.
The Council Standing Orders part 18 v tender threshold is £60,000 and not in line with the Council Financial Regulations part 11.1 b tender threshold £25,000.	The Council to review and update its Standing Orders.

es, properly recorded and promptly banked; and VAT was appropriately accounted for.

Observation	Recommendation
<p><i>The Council did not bank income for a Burial Fee £206 and 2 Allotments £58.96 charges.</i></p> <p><i>Instead this was used to top up the Petty Cash tin. The Council is using cash receipts to top up the petty cash.</i></p>	The Council should review its arrangement for the banking of cash. Receipts should normally be banked intact. If payments are to be made from cash receipts the cash must put in place controls to ensure that all cash income and expenditure is correctly accounted for.

aid in accordance with this smaller authority's approvals, and PAYE and NI requirements were properly applied.

Observation	Recommendation
<i>A copy of the Clerk Employment contract provided unsigned.</i>	The Council must ensure that the Clerk Employment contract is signed by both parties. A signed copy to be forwarded to Internal Audit.

ate and properly maintained.

Observation	Recommendation
<i>The Council has not reviewed the Asset Register during 2019-20.</i>	The Council should undertake a formal review of the asset register on an annual basis.

roperly carried out.

Observation	Recommendation
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<p><i>The manual Petty Cash Book was scanned to audit and balances agree to the Year End trial balance.</i></p> <p><i>The Council did not provide a signed Petty Cash Certificate confirming that balances have been independently verified.</i></p>		<p>At each year and a Cashier's Certificate should be obtained stating the balance of the cash held. This should be signed and dated by the cash custodian and an independent witness.</p>
<p><i>The Year End bank reconciliations were presented to Council on 9 June 2020 and have been electronically signed and dated as reviewed.</i></p>		<p>The Council to submit a signed wet copy of the Year End bank reconciliation to Internal Audit once lockdown restrictions are eased.</p>

25 May 2020

Priority	Comments
Medium	CiLCA qualification means that the council may adopt the General Power of Competence. Council to consider by 12/2020.
Medium	Council to review Standing Orders 9/2020

Priority	Comments
High	Council has already discussed phasing out of petty cash. No facility for banking cash in the current account. Clerk to contact bank & report by 10/2020

Priority	Comments
High	Chairman to sign as soon as possible (8/2020)

Priority	Comments
High	Council review 2019-20 was deferred then missed. Council to review asset register 9/2020

Priority	Comments
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High	Councillors check petty cash regularly along with bank reconciliation. During lockdown this has been done using a scanned copy of the petty cash book. Petty cash use to be phased out.
High	Council to comply as soon as possible.

