

Herefordshire Association of Local Councils (HALC)

Internal Audit Service

INTERNAL AUDIT MID YEAR REPORT

Bartestree with Lugwardine Parish Council

2017/18

1. Introduction

Herefordshire Association of Local Councils has carried out a mid-year Internal Audit review.

2. Scope of Audit

The scope of the audit covered

2.1 Budgeting

2.2 Accounting records and supporting documents

2.3 Bank Reconciliation

2.4 Investments

2.5 Statement of Accounts

2.6 Standing Orders and Financial Regulations

2.7 Safe and Efficient Arrangements to safeguard Public money

2.8 Employment

2.9 VAT

2.10 Fixed Assets and Equipment

2.11 Risk Management

2.12 Due Process

2.13 Miscellaneous

2.14 Annual Return 2017

3. Findings of the Audit

Scope	Pass	Observation	Rec
Budgeting	No	Budget monitoring (11/07/17) is in place however the format of reporting should be improved	R.4.1
		Budget approved November 2016 but not evidenced as part of the signed minutes	R.4.2
Accounting records and supporting documents	Yes		
Bank Reconciliation	Yes		
Investments	N/a		N/a
Statement of Accounts	N/a	Linked to Annual return Will review at end of year	
Standing Orders and Financial Regulation	Yes		N/a
Safe and Efficient Arrangements to safeguard Public Money	No	Unable to confirm fidelity insurance in place	R.4.3

Scope	Pass	Observation	Rec
Employment	N/a	New Clerk just appointed will review at end of year	
VAT	Yes		N/a
Fixed Assets and Equipment	Yes		
Risk Management	Yes		
Due Process	Yes	Section 137 expenditure authorised for payment (11/7/17 item 8.4 ,but no mention as Section 137 Expenditure	R4.4
Miscellaneous	No	Noncompliance with Equality Act 2010 – There is no Equality Policy	R4.5
Annual Return	N/a	End of year audit	

4. Recommendations

- 4.1 Although Budget monitoring takes place the format needs to be improved (suggest format Appendix 1)
- 4.2 In future the approved budget to form part of the signed minutes.
- 4.3 Fidelity Insurance to be evidenced
- 4.4 Donations approved need to be minuted as Section 137 Expenditure.
- 4.5 To comply with legislation an Equality Policy should be developed.

5. Appendix 1

Budget Monitoring Report Suggested Format

Description	Actual 2015/16	Budget 2016/17	Actual 2016/17	Budget 2017/18	Actual 2017/18	Variances 2017/18
Income						
Total Income						
Expenditure						
Total Expenditure						

R.A.FORD

On Behalf of HALC Internal Audit Services

November 2017/18