

# Chesham Bois Council Internal Audit Report 2018



17 April 2018 at 08:23:

(to be read in conjunction with the attached Internal Audit Recommendations)

	Internal Control Objective	Observation	Internal Audit Response
A	<i>Appropriate accounting records have been kept properly throughout the year.</i>	The Council maintains its accounts using Sage accounting software. The records reviewed were found to be well maintained	Yes
B	<i>This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.</i>	The Council has in place a set of Financial Regulations which are based on the NALC model regulations. These were last subject to review by council in February 2017. During the year the Council applied for, and received, a dispensation from registering for VAT.	Yes
C	<i>This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</i>	The Council maintains a Risk Register which was subject to review in April 2017	Yes
D	<i>The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.</i>	The Council set its budget and precept at a meeting held on 9th January 2017. Regular budget control reports have been submitted to Council	Yes

	Internal Control Objective	Observation	Internal Audit Response
E	<i>Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.</i>	The Council receives some income from burials, licences and grants. Debtors are monitored using the Sales Ledger in the accounting system.	Yes
F	<i>Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.</i>	The Council has a very small petty cash which is accounted for through the cashbook in the accounting system <b><i>the Council should refer to the attached Internal Audit Observations</i></b>	Yes
G	<i>Salaries to employees and allowances to members were paid in accordance with this smaller authority's approvals, and PAYE and NI requirements were properly applied.</i>	The Council operates PAYE system using a payroll agent to process monthly payroll <b><i>the Council should refer to the attached Internal Audit Observations</i></b>	Yes
H	<i>Asset and investments registers were complete and accurate and properly maintained.</i>	The Council maintains an asset register which has been updated during the year <b><i>the Council should refer to the attached Internal Audit Observations</i></b>	Yes
I	<i>Periodic and year-end bank account reconciliations were properly carried out.</i>	The Council has undertaken regular reconciliations of the bank accounts <b><i>the Council should refer to the attached Internal Audit Observations</i></b>	Yes

	<b>Internal Control Objective</b>	<b>Observation</b>	<b>Internal Audit Response</b>
<b>J</b>	<i>Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.</i>	The Council reports on an Income and Expenditure. Year end debtors, creditors and accruals we reviewed and agreed	<b>Yes</b>
<b>K</b>	<i>Trust funds (including charitable) – The council met its responsibilities as a trustee.</i>	The Council does not act as Trustee	<b>N/A</b>

**Kevin Rose ACMA**  
**IAC Audit & Consultancy Ltd**