

**INDEPENDENT INTERNAL AUDITOR'S REPORT TO THE MEMBERS OF  
SEVENHAMPTON PARISH COUNCIL  
YEAR ENDED 31ST MARCH 2009**

I have examined the Council's records in the areas delineated in the attached schedule and made enquiries as deemed appropriate.

In my opinion the systems of internal controls is adequate for the purpose intended and there are no matters to be brought to your attention.

A handwritten signature in black ink, appearing to read 'Iain Selkirk', written in a cursive style.

Iain Selkirk FCA

**Appointed Independent Internal Auditor**

**17.03.09**

**AUDITORS REPORT TO THE MEMBERS OF:-  
SEVENHAMPTON PARISH COUNCIL**

**31.03.09**

Y/N

N/A

COMMENTS

- 1 a Y Is the cashbook maintained and up to date  
 b Y Is the cashbook arithmetic correct  
 c Y Is the cashbook regularly balanced and reconciled to the bank
- 2 a Y Have Standing Orders and Financial Regulations been formally adopted  
 b N Are Standing Orders and Financial Regulations regularly reviewed  
 c Y Has an RFO been appointed with specific duties  
 d Y Have items or services above a de minimis amount been competitively purchased  
 e N Has the Clerk authority to spend in emergencies  
     from what level are quotes required  
     From what level are tenders required
- 3 a Y Are payments in the cashbook supported by invoices, authorised and minuted  
 b Y Has VAT on payments been identified, recorded and reclaimed  
 c Y Is S137 expenditure separately recorded and within statutory limits  
 d Y Is S137 expenditure separately minuted as such  
 e Y Is the signing authority two or more councillors  
 f N Is the Clerk a signatory  
 g Y Are the counterfoils initialled by the signatories  
 h Y Are invoices vouched to payments
- 4 a Y Is there a procedure in place for the regular audit of internal controls  
 b Y Has a member of the Committee been appointed internal auditor  
 c Y Does he have a specific programme and does he report to meetings
- 5 a N Does scanning of the minutes identify any unusual activity  
 b Y Is the annual risk assessment minuted  
 c Y Is insurance cover appropriate and adequate  
 d Y Are internal financial controls documented and regularly reviewed.
- 6 a N Has the Council prepared an annual budget in support of its precept  
 b N/A Is actual expenditure against budget regularly reported to the Council  
 c N/A Are there any significant unexplained variances from budget

None  
 Bldg work only  
 not necessary

Twice a yeat  
 Chairman  
 Quarterly

Annually  
 Too small to warrant

7	a	Y	Is income properly recorded and banked as promptly as possible	
	b	Y	Does the precept recorded in the cash book agree to the District Councils notification.	
	c	N/A	Where income is raised by rental or lettings has the VAT position been clarified	No cash income
	d	N/A	Are security controls over the cash adequate and effective	
8	a	N/A	Is petty cash spent recorded and supported by VAT invoices/receipt	
	b	N/A	Is petty cash expenditure reported to each Council Meeting.	
	c	N/A	Is petty cash expenditure reimbursed regularly	
	e	Y	Or does the Clerk present petty cash with her expenses supported by VAT invoices/receipts.	Quarterly
9	a	Y	Do salaries paid agree to with those approved by the Council	
	b	N	Has PAYE/NIC been properly operated by the Council as employer	
	c	Y	Are other payments to the Clerk and staff reasonable and approved by the Council	
	d	Y	Where PAYE/NIC is not operated due to the low salary level has HMRC been informed	
10	a	N	Does the Council maintain an Asset Register of all material assets owned	Bus shelter only
	b	N/A	Is the register up to date	
	c	N/A	Do the values agree to insurance valuations	
	d	N/A	Are movements in Treasury Deposits accurately recorded	
11	a	Y	Is each bank account reconciled on a regular basis	
	b	N	Are there any unexplained balancing entries in any reconciliation	
12	a	Y	Are the accounts prepared on the correct accounting basis	
	b	Y	Do the accounts reflect the cashbook entries	
	c	Y	Is there an audit trail from the underlying financial records to the accounts	
	d	N/A	Where appropriate have debtors and creditors been properly recorded	
13	a	Y	Are minutes signed, initialled and pages sequentially numbered	
14	a	N/A	Do Burial receipts agree to the attendant Burial records	
	b	N/A	Are rights or permissions properly recorded	
15	a	N/A	Any evidence or fraudulent activity should be brought to the attention of the Chairman	