

SKEGNESS TOWN COUNCIL

INTERNAL AUDIT REPORT 2017/18

Internal Auditor: Lynda Phillips (Town Clerk at Louth)

Date of Audit: Tuesday 24th April 2018

Internal Control	Findings, Recommendations & Notes
Proper Bookkeeping	The RBS system is used to record payments and receipts and is used as the basis of the cash book. Controls appear adequate for cash receipts and cheque payments. A sample check of items and summary totals of payments approved by Council agrees with the cash book. A sample check of cash reconciliation shows correct procedures have been undertaken throughout the financial year.
Procedures	Standing Orders and Financial Regulations are in place and were reviewed and approved by Council in May 2017. From a sample of payments in the cashbook, payments are properly supported by invoices and these are approved regularly by the Council. VAT statements and claims are produced from the financial system and appear to be in order and reimbursement is claimed appropriately.
Risk Management Arrangements	Following a review of the Town Council minutes, there is no evidence of any unusual financial activities. A governance report is presented to the Council quarterly which includes a risk assessment. A comprehensive asset register is maintained to identify liabilities. The insurance provision appears to be adequate and is up to date.
Budgetary Controls	A well evidenced budget has been prepared that supports the precept demand for 2018/19 and this was approved by Council. Regular reporting of actual expenditure against budget takes place.
Internal Controls	Internal control measures appear adequate and are evidenced in the governance reports.
Income Controls	All income is properly recorded and promptly banked. The banked precept agrees with the written Council Tax Authority's notification. Security controls over cash are adequate and effective.
Petty Cash Controls	Security controls over petty cash are adequate and effective. Petty cash is minimal and is kept in two locked tins, one - holding the majority of funds is kept in a locked safe, the other, holding a minimal amount is the office float. Payments are supported by receipts and expenditure is approved by Council.
Payroll	All transactions appear to be in order and PAYE/NIC requirements were properly applied.
Asset Controls	The Town Council have a very comprehensive asset register which clearly identifies council assets, their individual and combined values and this is maintained regularly. Insurance valuations agree with those in the asset register.
Periodic and Year End Procedures	Periodic bank reconciliations are carried out and are complete for the financial year 2017/18. These were supported by payment and receipt entries within the cash book and corresponding bank statements. The Council have been presented with copies of the accounts and I am satisfied that all year end procedures have been correctly carried out.

Internal Auditors Comment:

The Town Clerk, deputy and assistants have provided a very comprehensive control system on behalf of the Town Council during the 2017/18 financial year.

Lynda Phillips
25th April 2018