

Pauline James
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~~5th June 2017~~
5 December

The Chairman
Cringleford Parish Council

Dear Sir,

Interim Internal Audit for the year ended 31st March 2018

I thank the Council for re-appointing me to carry out the internal audit for the 2018 accounts. I remind you that, according to the Local Councils' Governance and Accountability Guidance, the purpose of internal audit is to review whether the systems of financial and other control are effective; neither the internal nor the external auditor can be expected to look for fraud. I do not give an opinion on the accounts, I am required to review controls and give recommendations.

I attended the Parish Council offices on 5th December 2017 and carried out the following work on the Council's books and records as interim audit:

- 1. Proper Bookkeeping:**
 - checked a sample of payments from the nominal ledger to invoices, including all large amounts, ensuring VAT separated appropriately
 - compared a sample of receipts to supporting documentation
- 2. Financial Regulations:**
 - Financial Regulations were reviewed by the Council in May 2017
 - Standing Orders were amended in May 2017
- 3. Risk Arrangements:**
 - reviewed minutes for unusual items
 - the risk assessment is reviewed regularly by the Finance Advisory Group and was last adopted in May 2017
- 4. Budgetary Controls:**
 - regular comparisons carried out of actual spending to budget figures
 - signatories initial a grid stamp on each invoice to confirm that payment may be made
- 5. Income Controls:**
 - reviewed receipt of precept
 - reviewed significant income during year

9. Bank Reconciliation:

- ensured carried out regularly
- checked bank reconciliation as at 31st October 2017 to bank statements

10. Year-end Procedures:

- reviewed year-end bank reconciliation
- reviewed accounts and nominal ledger for unusual items
- annual return prepared using income and expenditure method
- checked large creditors and debtors to supporting documentation
- discussed year-end VAT total

The above tests and review work showed the accounts are supported by invoices and receipts and agree to year-end bank statements, and that the Council is actively involved in monitoring spending and income. I have discussed a few minor issues with Sonya.

I should like to take the opportunity to thank Sonya for her hospitality and for her assistance with the year-end paperwork. I am happy to return to carry out the final internal audit in May or June.

Yours faithfully,

Pauline James

Pauline James BA,
Cert of Higher Education in Community Engagement and Governance