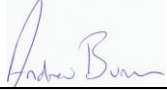


Berkswell Parish Council

Councillors' quarterly check list – report

<p>Audit quarter (months) July to Sept 2019</p>	<p>Date of audit 6 November 2019</p>	<p>Name of auditor Andrew Burrow</p>	<p>Signature of auditor </p>
<p>Check</p>		<p>Findings (continue overleaf if necessary)</p>	
<p>1. Bank reconciliation 1.1. Check that the sum (total) of the balances in the 3 bank accounts at quarter end is the figure used in the bank reconciliation by the clerk and published in the quarterly accounts (this is the last balance shown before the end of the month which might not be the last day in the month) 1.2. Check that the cheques shown as “unpresented” (i.e. not cashed) in the bank reconciliation at the quarter end represents the difference between the cash in the bank shown as “closing reserves” in the accounts and that shown on the bank statement.</p>		<ul style="list-style-type: none"> • Bank balances used are correct. These were in a formula in the spreadsheet. It is suggested that the balance for each bank account be listed in the accounts with a total. Those full accounts, including the cash balance in the bank (i.e. closing reserves), are published as part of the appropriate PC minutes. • It was confirmed that all cheques explaining the difference between cash in bank and cash balances shown in the accounts, had not been cashed in the quarter (i.e. reconciliation was correct). 	
<p>2. All cheque stubs record transactions approved by council in the minutes by reference to section a) of the Financial Matters Item in the minutes. (You are looking for any cheque that has not be authorised by the PC or the sum shown on the stub is different to that approved in minutes).</p>		<ul style="list-style-type: none"> • Cheque number 2216 not shown in minutes on the list for authorisation. • Work and payment authorised in minutes but the actual cheque was not listed for authorisation. That would appear that it was signed at a meeting (correctly) as an emergency payment, reported verbally at that meeting but not recorded because it was not on the list of normal payments on the agenda 	
<p>3. All cheque debits on the bank statement are consistent with the amount shown on the cheque stub (tick off each entry on the bank statement to show you have checked it).</p>		<ul style="list-style-type: none"> • All correct • It was noted that when Andrew Burrow did the last quarterly councillor check he had not ticked off all cheques against the bank account but not all entries on the bank statement had been ticked. This was rechecked and ticked off as satisfactory. 	
<p>4. All direct debits on bank statement are as shown in the minutes.</p>		<ul style="list-style-type: none"> • Only one direct debit. It had been authorised in the minutes 	

<p>5. Take 1 in 5 debits shown <u>on the bank statement</u> and check the supporting documentation.</p> <ul style="list-style-type: none"> • Purchase order if applicable (we do not use formal Purchase Orders) • Delivery evidence if applicable • Invoice and payment amounts should be the same • Invoice is for a proper service or goods delivered/purchased • Both cheque stub and invoice have been initialled by signatories <p>(List cheque numbers inspected along with any discrepancies)</p>	<ul style="list-style-type: none"> • 100% check performed and no financially inappropriate payments found • Cheque stub 2224 only initialled by one Councillor (Andrew Burrow). It was not possible to work out who the missing signatory was because the authorisation paperwork (relating to Councillors allowances) was in itself not correctly initialled by all signatories. All payments were correct. • Invoices relating to cheque numbers 2218 and 2230 not initialled by Richard Lloyd • Cheque 2220 related to reimbursement of £2k+ to the Clerk who used his own bank account to pay a foreign invoice because council bank account could not do that. Suitable “proof” was there but it would have been better if that “proof” had been accompanied by an “expense claim form”. • The only direct debit notification had not been initialled as OK by councillors (it was in minutes as legitimate payment) • Cheque numbers not shown in July and September minutes. • A copy of the minute (June 13th) was used as authorisation (invoice) for 4 grant payments. It is not clear that the councillors signing the cheques checked the cheques against this minute because the initials did not go against each grant approval. All cheques were correct.
<p>6. Check that <u>all receipts</u> for payments received are recorded as a credit on the bank statement. Make a note of any receipts reported in the minutes but not shown on bank statement. Receipts are few and far between. They should be reported in the minutes for the quarter.</p>	<ul style="list-style-type: none"> • There was only one with paperwork. A donation towards the windflow study. Minuted in October albeit that the bank transfer occurred in August but a bank statement showing that was not received until after the September meeting. • Precept payment from SMBC is shown on bank statement but there is never paperwork. Sum looked correct (half annual precept). This was recorded in minutes.

Conclusion

No indication of precept payers’ money having been inappropriately spent versus Council authorisations. Several minor admin issues identified as listed above. The paperwork was in good order which made the audit easy and gave good confidence of underlying control despite minor admin issues above.