

Edenbridge Town Council

Agreed Internal Audit Plan for 2016/17

The amendments to the Accounts and Audit Regulations 2011 require that an internal audit plan is prepared for the Council to consider and formally approve.

The majority of the audit work will be done by sample testing a sufficient number of transactions to gain an assurance that the systems of financial control work effectively and provide accurate information to support the Council's activities. It is therefore proposed that a review of the following control objectives is carried out to ensure they are being achieved throughout the year to a standard adequate to meet the needs of the Council:

- ❖ Significant risks are assessed by the Council to ensure objectives are achieved, along with a review of the adequacy of the arrangements to manage these
- ❖ Appropriate books of account have been kept accurately throughout the year
- ❖ The annual precept requirement resulted from an adequate budgetary process, with progress against the budget regularly monitored and reserves appropriate
- ❖ The Council's Financial Regulations have been met, payments supported by invoices with expenditure approved and VAT appropriately accounted for
- ❖ Expected income fully received, based on correct prices, accurately recorded and promptly banked, and VAT appropriately accounted for
- ❖ Petty cash payments properly supported by receipts with expenditure approved and VAT appropriately accounted for
- ❖ Salaries to employees and allowances to members paid in accordance with Council approvals, and PAYE and NI requirements accurately applied
- ❖ Complete and accurate Asset and Investment registers that are properly maintained
- ❖ Regular and year-end bank account reconciliations accurately carried out
- ❖ Accounting statements produced during the year are prepared on the correct accounting basis, agreed to the cash book, supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors accurately recorded
- ❖ The Council has been forward thinking and has reviewed its strategy, vision and the impact of the Localism Bill as part of the Forward Planning processes

- ❖ Where applicable, trust funds (including charitable) responsibilities as trustee are met by the Council
- ❖ Awareness to the potential of fraud, error or non-compliance, and any issues that may increase this potential, including a review of the arrangements for the security of systems data
- ❖ Appropriate training of councillors and staff has been carried out to enable efficient transaction of business.

If there are any items that the Council would like included in the audit programme, or greater emphasis given to an item, then the proposed internal audit plan set out above can be amended