



AXMOUTH PARISH COUNCIL

CLERK:
BECKI DAVEY
2 WESSITERS
SEATON
EX12 2PJ
TEL: 07895 910543

Terms of Reference and Review of Internal Audit

Appointment:-

The Internal Auditors appointment will be reviewed annually by the Council.

The Auditor will confirm that they do not have any involvement in the financial decision making, management or control of the Council.

The Auditor will be given full access to the members and Clerk for information.

Remuneration to be agreed annually.

The Roles & responsibilities of the Internal Auditor:

The Internal Auditor shall verify or establish:-

Book Keeping & Bank Reconciliation

The record (Cash Book) of receipts and payments is up to date and correct and regularly checked against the bank account statement.

Elementary checking of any spreadsheet accounts records for errors.

Verification that checking payment vouchers ie cheques and debit card payments against invoices and receipts has been undertaken.

That bank reconciliation has been undertaken regularly.

Verification of start and finish balances.

Financial Regulations / Standing Orders

That the Standing Orders and Financial Regulations have been reviewed by the Council within the past year.

Quotations have been obtained for Council contracts.

That a proper legal power has been identified for the expenditure.

That VAT has been identified appropriately for reclaim.

That the cash limit for expenditure under Section 137 is not exceeded.

Risk Management

The Council is undertaking regular risk assessments.

Budgetary, Income, & Payroll Controls

The budget has been prepared by the Council and adopted in setting the Precept.

There is sufficient control of budget variances.

That precept & grant income is properly and promptly received.

Any cash is logged and processed promptly.

Expenses are reimbursed against receipts.

Changes to the Clerks contract of employment have been formally agreed by the Council.

Asset Control

That the asset register is up to date.

That assets are checked regularly.

Confirm that adequate insurance provision is in place.

Year End Procedures

The appropriate accounting basis is used for the year-end financial statements.

Verify a sample of any adjustments, transfers etc.

A system is in place for valuation of assets and liabilities.

Identification of any outstanding amounts (receivable or payable).

Reporting

The Internal Auditor shall report their findings and recommendations to the Council annually.

Review of Internal Audit Procedure

This will be undertaken at least annually by the Councillors using the Internal Auditor completion of the Annual Governance and Accountability Return (AGAR) and any other investigations. Any areas for change or development to be identified and implemented using an action plan.