

YORKSHIRE DALES NATIONAL PARK AUTHORITY
AUDIT AND REVIEW COMMITTEE

17th March 2006

INTERNAL AUDIT REPORT: MAIN ACCOUNTING AND BUDGETARY CONTROL

Purpose of report

To present the most recent report from the Internal Audit Service to Members.

Strategic Planning Framework

The information contained in this report is consistent with the Authority's approved and adopted strategic planning framework:

- ***Existing policies and strategies***
"each NPA is required to maintain an adequate and effective internal audit..." (Financial Regulations, paragraph 17.1 (iii))
"The Internal Auditor shall determine the scope of any internal enquiries or investigations" (Financial Regulations, paragraph 17.6)

INTERNAL AUDIT REPORT

Since the last meeting of the Audit & Review Committee (25th December 2005), a further Internal Audit review has been completed by the Internal Audit Service (for which the Authority contracts with North Yorkshire County Council), covering the Authority's Main Accounting and Budgetary Control systems.

The report for this audit is attached as an appendix. The report concludes that 'The overall audit opinion of the systems evaluated is that they are good'. There were no recommendations for further improvements.

RECOMMENDATION

Members are asked to note the report.

RICHARD BURNETT
HEAD OF FINANCE & RESOURCES

22nd December 2005

YORKSHIRE DALES NATIONAL PARK AUTHORITY

INTERNAL AUDIT REPORT

REPORT ON:	MAIN ACCOUNTING & BUDGETARY CONTROL
SENT TO:	AUDIT & REVIEW COMMITTEE HEAD OF FINANCE & RESOURCES
CC	CHIEF EXECUTIVE TREASURER TO THE AUTHORITY

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Internal Audit Service
 Central Finance Business Unit
 County Hall
 Northallerton

AUDIT REPORT BY THE INTERNAL AUDIT SERVICE

1.0 INTRODUCTION

- 1.1 The audit undertaken was a review of the Sun financial ledger to ensure that income and expenditure is being accurately and properly recorded. The audit included an examination of the arrangements for processing journals and virements and for reconciling control accounts, as well as the arrangements for setting and monitoring budgets.
- 1.2 The audit involved discussions with staff in the Finance Section.
- 1.3 The audit work was undertaken during November and December 2005.
- 1.4 This report was issued on 14th December 2005.

If you require any further information regarding this audit please contact Ian Smithson, NYCC Internal Audit Service, on 01609 532739.

AUDIT REPORT BY THE INTERNAL AUDIT SERVICE

2.0 FINDINGS

	Summary Findings	Risk
	<p>Follow-up</p> <p>2.01 All recommendations in the previous audit report relating to the main accounting system or budgetary control have been implemented or were in the process of being implemented at the time of the audit. In particular, arrangements are in place for the security of cheque stocks.</p>	
	<p>Main Accounting</p> <p>2.02 Good procedures were in place for ensuring that transactions and budget information was correctly migrated from the Scala financial system to the Sun system. In addition procedures were in place to ensure that opening balances were brought forward to the appropriate accounts and that amounts are correct.</p> <p>2.03 The ledger balances to zero.</p> <p>2.04 Procedures are in place to ensure that the Authority's bank account is reconciled in a timely fashion.</p> <p>2.05 Good procedures are in place to ensure that access to the Sun system is secure.</p>	
	<p>Budgetary Control</p> <p>2.06 The budget for 2005/06 was approved by the Authority in January 2005. It was subsequently adjusted by the Finance & Resources Committee on 14th February 2005 for additional funding from DEFRA.</p> <p>2.07 The budget loaded on to the Sun system was that approved by the Authority, adjusted for agreed virements.</p> <p>2.08 All budgets are allocated to named individuals who have been trained in their responsibilities as budget managers.</p> <p>2.09 In addition, budgetary control reports are presented to the Finance & Resources Committee every three months and these are annotated with details of significant variations.</p> <p>2.10 Good procedures are in place for the approval of virements.</p>	

AUDIT REPORT BY THE INTERNAL AUDIT SERVICE

3.0 **OPINION**

3.1 The overall audit opinion of the systems evaluated is that they are good.

4.0 **RECOMMENDATIONS**

There are no recommendations to this report.