



Parish Audit Preparation Checklist

Aim: To streamline the Parish's Financial Accounts audit process

Prepare a folder to gather required documentation

- Create a folder in your computer to hold the documentation for the current financial year audit

Cash and Bank

- Ensure all bank transactions are entered into your accounting systems until the end of the financial year
- Ensure every bank account is reconciled to the end of the financial year
- Review any unreconciled items. Investigate if they are old (eg greater than say 2 weeks)
- Create a soft copy of all the bank statements for the period that includes the last day of the financial year. File this in the audit folder on your computer
- If the bank balance in your general ledger is different to the balance on your bank statement, create a bank reconciliation report and file in the Audit folder.
- If applicable reconcile any Petty Cash & create a statement or declaration verifying any Petty Cash Balance at the end of the financial year. Save a copy into your Audit Folder

Receivables & Provision for Bad Debts

- Create a Debtors/Accounts Receivables report (if any) as at the last date of the financial year. Compare this with the Debtors/Accounts Receivable balance in your year end balance sheet. Investigate if it differs
- Create a Debtors/Accounts Receivables report (if any) as at the last date of the financial year and save a copy on the Audit Folder
- Review the old outstanding invoices and determine the likelihood of collection of each invoice. Total the invoices unlikely to be collected and create an adjusting manual journal against Provision for Bad Debts accounts

Land and Buildings and Contents

- Obtain the most recent Land Valuation Certificates in connection with all Parish land/properties and place a soft copy in the Audit Folder
- Obtain the Schedule of Buildings & Contents which is provided by the Property Trust Insurance Officer and place a soft copy in the Audit Folder
- Compare the valuations stated in these certificates/Schedules to the year end Balance Sheet values.
- If they are different, create an adjustment via manual journal against the asset account(s) and the Revaluation account to ensure that they equal.

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Creditors

- Create a Creditors/Accounts Payables report (if any) as at the last date of the financial year. Compare this with the Debtors/Accounts Receivable balance in your year end balance sheet. Investigate if it differs
- Create a Creditors/Accounts Payables report (if any) as at the last date of the financial year and save a copy on the Audit Folder

Other Payables

- Create an Excel reconciliation of Superannuation payable and place in the Audit folder
- Create a reconciliation of PAYG & GST payable (Excel) and place in the Audit folder
- Place in the Audit Folder copies of BAS's lodged by the Parish during the year including the first BAS lodged after the end of the financial Year. Note that the reconciled PAYG and GST should equal the BAS lodged after the end of the financial year
- Create a manual journal to accrue the audit/audit fee

Provisions & Payroll

- Calculate and document the value of outstanding Holiday/Annual leave as at the end of the financial year. Create an adjusting manual journal against Holiday Leave Provision and wages accounts. Place the document in the Audit folder
- Calculate and document the value of Long Service Leave accrued (if any) for non-ordained staff with calculations of accruals for the year. (Accruals start at 5 years continuous service and are generally payable after 10 years). Create an adjusting manual journal against Long Leave Provision and wages accounts. Place the document in the Audit folder.
- Place soft copies of PAYG summaries for all employees in the audit folder
- Create an Excel payroll reconciliation comparing the payroll reports with the general ledger accounts for wages, stipends, MEA superannuation and PAYG. Place the document in the Audit folder.

Other documents to be saved in the Audit Folder

- Copies of attested offertory count sheets for the year
- Expense vouchers/invoices for payments made during the year. Soft or hard copy. If using Xero hopefully you have already attached these to all the transactions so not necessary to provide.
- Create soft copy of the Signed minutes of Parish Council meetings.
- A copy of your live computer ledger with the type and version of the programme used and any passwords required. If using Xero just organise for the Auditor to have the appropriate user access.

For assistance, please contact us on 1300 138 627 or hello@benkorp.com

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