

MERSHAM with SEVINGTON PARISH COUNCIL

INTERNAL AUDIT REPORT 2015 - 2016

I am pleased to report to Members of the Parish Council that I have completed my internal audit of the Parish Council's records for 2015 – 2016.

Members should be aware that the audit tests that I undertook during the audit cannot be relied on to identify the occasional omission or insignificant error, nor to disclose breaches of trust or statute, neglect or fraud which may have taken place and which it is the responsibility of the Members of the Council to guard against through the Parish Council's internal control procedures.

Members will be pleased to know that I did not find anything major in my financial audit to report and that I found the record keeping to be of a good standard and the Parish Council's approach to the management of risks to be sound. I have, therefore, been able to complete Section 4 of the Annual Return.

I would like to take this opportunity to thank your Clerk for the assistance given to me in the conduct of the audit that took place on 27 April 2016.

PREVIOUS AUDITS:

External Audit Certificate 2014 - 2015:

The External Audit Certificate for 2014 - 2015 (Section 3 of the 2013 - 2014 Annual Return) was unqualified and dated 27 September 2015.

The External Auditor raised two minor matters on the audit certificate relating to the late return of the 2014-2015 Annual Return and the inaccurate completion of Section 1 Box 8 for both years.

I discussed the External Auditor's comments with the Clerk and Members considered the comments at the meeting held on 18 April 2016 (Minute Ref. Financial Matters viii).

Internal Audit 2014 - 2015:

I went through the previous Independent Internal Auditor's report for 2014-2015 which raised several matters.

I discussed all the matters raised by my predecessor with the new Clerk and all have been addressed where necessary.

FINDINGS THIS VISIT:

During the visit I carried out work following up on matters raised in the 2014-2015 Independent Internal Auditor's report as well as reading the minutes, checking the accounting records including the cashbook, payroll, VAT records, bank statements and bank reconciliations with the cashbook.

Cashbook:

The cashbook was up to date and there was a good audit trail to the receipt and payment vouchers.

A financial statement and budgetary control report is presented to Members by the Responsible Financial Officer to every meeting and minuted.

Vouchers:

There were vouchers for all the items I inspected including payroll and grant items and Members now see them.

Bank Reconciliations:

Bank reconciliations have been carried out and there were no unexplained entries.

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Value Added Tax:

The VAT records were accurate and up to date.

Payroll:

The HMRC requirements for Real Time Information have been met and regular payments made to them in respect of PAYE and NI. P60s have been issued to all employees.

Insurances:

The level of cover in respect of Employee Dishonesty is currently £150,000 and meets the recommended minimum level of cover.

Risk Management:

Weekly inspections of playground equipment etc. are now being carried out by the caretaker and written records kept.

Minutes:

All the Minutes inspected had been signed/initialled in accordance with best practice.

Precept 2016-2017:

The precept for 2016-2017 was approved at the meeting held on 5 January 2016 (Minute No. 12/16).

Standing Orders and Financial Regulations:

The Parish Council's Standing Orders were reviewed and approved at the meeting held on 21 September 2015 (Minute Ref. Financial Matters vii).

Financial Regulations are to be reviewed early in 2016-2017.

Asset Register:

The Asset Register has been updated and values restated to reflect the original cost/value. The Parish Council's insurer has been notified of the new items added to the register.

Members Register of Interests:

The link on the Parish Council's website to Ashford Borough Council's web page worked and details are available.

Transparency Code:

Improvements to the Parish Council's website have been made during the year and it is now regularly updated. The Parish Council is now compliant.



Kevin Funnell, F.M.A.A.T.
Independent Internal Auditor
27 April 2016