

COLTON PARISH COUNCIL

INTERNAL AUDIT REPORT for FY 16/17 and AUDIT PLAN FOR FY 17/18 (in bold)

The Colton Parish Council internal audit for the 2016-2017 accounts was carried out by Mr Bobbie Dobson on 27th April 2016. The accounts met the criteria and requirements of the Audit Commission Annual Audit.

1. Accounts

1.1. Balance sheet and accounting procedures:

- Balance brought forward does not include a cheque for £9 made payable to Cllr Milburn, not yet presented.
- It is to be noted that the opening balance on the statement of accounts was £9 less than the bank account as of 1st April 2016. This is due to Cllr Milburn not cashing a cheque issued in 15-16, cashed in June 2016.
- Whilst it is difficult to get receipts from small local organisations this needs to be done. Auditor discovered some receipts were not evident for grants issues. **Ensure receipts obtained for any money given out, e.g. grants for Colton community fund and community plan projects.**
- **With regards clerks home office allowance evidence needs to be kept with receipts, e.g copy of relevant page from contract.**
- **Ensure receipts are obtained for 'petty cash' repayments.**
- **Ensure documents that are filed in other folders, e.g. Bouth Village Green are copied for filing in the finance folder, keep a double record where necessary.**
- Spot checks were made on receipts. All were satisfactory and fully cross-referenced in the minutes, apart from the few items noted above. The signatories on the Council account had signed invoices as well as cheques at each meeting. The Lengthsman had signed all worksheets for the year.
- The balance sheet was checked against the bank statements and all was present and correct. Apart from note above regarding £9 cheque. All cheques and counterfoils had been properly signed and cheques not presented have been noted.
- The high year-end balance and carry-over was noted. This is due to an underspend of the Rural Crime Grant money that Colton PC is holding.
- Estimates for work and correspondence showing estimates sought, even if not received would be kept routinely.
- **The Clerk would add explanations about un-presented cheques.**

1.2. Budget setting: The budget for 2017/18 was examined and approved. **The Finance Working Group should consider the recommendation for the inclusion of a contingency factor into the budget at a suggested rate of 10% (a figure of 10% is usual in the business environment).**

2. Risk assessment, Asset Register and Health and Safety procedures

- 2.1. A bank reconciliation had been presented and approved quarterly.
- 2.2. The risk assessment had been reviewed and was approved.
- 2.3. **Check asset register for 17-18 is approved.**