

**COLTON PARISH COUNCIL**  
**INTERNAL AUDIT REPORT for FY 17/18**  
**and AUDIT PLAN FOR FY 18/19 (in bold)**

The Colton Parish Council internal audit for the 2017-2018 accounts was carried out by Mr Bobbie Dobson on 30<sup>th</sup> April 2018. The accounts met the criteria and requirements of the Audit Commission Annual Audit.

1. Accounts

1.1. Balance sheet and accounting procedures:

- There is a system in place for issuing receipts. Need to ensure that village halls issue an invoice or receipt. Checks were made that this was being implemented. Evidence was seen of receipts for money given out, Colton Parish Council grants.
- With regards clerks home office allowance evidence was seen within the records of a copy of relevant page from contract/pay scales for home office allowance and wage increases.
- **It was suggested in 16/17 audit for receipts to be obtained for 'petty cash' repayments (BVG). Despite having created the form the evidence could not be produced. The Clerk will ensure a more robust system for the future as it was unclear if the form was filed in BVG documents or with Finance documents.**
- **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. Whilst there was evidence of this for the Lengthsman, BVG finance was not being double filed making documents hard to access. Needs more robust system going forward.**
- Website hosting reimbursement – This is the money that was overpaid to a shared hosting package with Rusland community website.
- Deer management grant of £500 was being held by colton PC for use by the Rural Crime group which Colton was part of. Once Colton PC was no longer in this group the money was repaid to Deer management group.
- **Whilst there was a digital copy of the ICO Certificate of registration this really needs to be printed out and filed. Need to ensure this is done going forward.**
- Spot checks were made on receipts. All were satisfactory and fully cross-referenced in the minutes. The signatories on the Council account had signed invoices as well as cheques at each meeting. The Lengthsman had signed worksheets for the year.
- **1p was written off by the council due to an error in the writing of a cheque compared to the invoice.**
- Cheques not presented have been noted. Cheques were checked against the cashbook
- **It is to be noted that whilst the bank statements were not seen a bank reconciliation was checked which included a copy of a bank statement. Whilst bank statements should be presented at the internal audit this was an oversight by the Clerk that the auditor was happy to accept due to being able to see 4 copies of statements on the bank reconciliations.**
- **All bank statements for the FY need to be taken to the audit in future years for verification.**

- The high year-end balance and carry-over was noted. This is due to funds set aside for community work being less expensive than budgeted. The carry forward is planned to be given as grants to community groups as occasion arises over the next 3 years.
- **The Clerk would add explanation about un-presented cheques to the final bank reconciliation. It is to be noted that there are a large number due to the last council meeting being so close to the end of the financial year.**

1.2. Budget setting: The budget for 2018/19 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). It is to be noted however that the present state of finance means there is sufficient money as a carry forward not to need a contingency. However, a contingency of 10% will be built in when this situation changes for 19/20 budget setting.**

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 by the council.

2.3. **Check asset register for 18-19 has been signed at FWG in May then presented to the full council in June for approval.**

3. Bouth Village Green and Playground

3.1. BVGP Financial Arrangements: £200 cash imprest has been made to the BVG Committee during the year. The Clerk confirmed that this imprest has the associated paperwork signed by both the Clerk and the BVG book-keeper, Mrs Dean, **receipts would be checked and kept, and balances confirmed with the book-keeper at the year-end with both signing off the accounts. BVG accounts were presented, but these had not been signed by any member of the BVG Committee. There was evidence of where the council's money had been spent and this was signed by the clerk and BVG. There was evidence of receipting the £200 advance for petty cash. There were no receipts present for goods purchased, this needs to happen for next year.**

3.2. **Annual report for BVG needs to be printed out and filed appropriately.**

4. Health and Safety Policy and Instructions for Volunteers:

**A copy of the health & Safety policy needs to be sent to the insurance company**

A policy has been created for BVG, the policy is based on a general-purpose template for an H&S policy on the H&S Inspectorate website and adapted it for the Village Green and Playground. **Policy has been approved by the council but not externally. Clerk to contact HSE and state that unless the policy is inadequate it will stand (unless there is any objection it will be assumed to be effective). Clerk to contact SLDC regarding the lease not having been paid for the last 12 months, letter to state that SDLC are happy to accept this so as not to invalidate any insurance claims.**

5. Playground inspections: Formal inspections continued to be conducted by RoSPA Playsafety annually, with monthly volunteer inspections by the Village Green Committee. The Clerk held copies of all the completed inspections. The Clerk had put in place an alert system to ensure that annual inspections were carried out. **Clerk needs to follow up with BVG**

committee how and when the actions from the inspections are being completed. If necessary with the help of Playdale. It is suggested that a Cllr takes responsibility for BVG by being the liaison link. This would include ensuring that the monthly visual inspections are completed and that the volunteers that are maintaining the paly equipment are doing so satisfactorily. This councillor needs to ensure that reported faults are dealt with in a timely fashion.

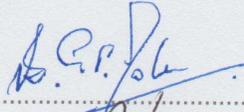
6. General

4.1. Financial Regulations (to be reviewed every 4 years): New model Financial Regulations had been produced by NALC and a modified version suitable for the Parish Council was adopted during 2014.

**It is to be noted that the Financial regulations need to be reviewed this current FY**

4.2. Mileage allowance The standard SLDC allowance had been maintained at 45p/mile for FY 18/19, and this rate had been approved by the Council (March 18 minutes 203/17).

4.3. Parish Council Allowances Policy: It should be noted that no councillors wished to claim the allowance this year and so it was not necessary to publish this on the parish noticeboards.

Signed:  ..... (Auditor)

Date 21-5-18 .....

Signed:  ..... (Clerk)

Date 21/5/18 .....