

Internal Audit Report for Tilney St Lawrence Parish Council for financial year 2016/17

Accounting Procedure for Year

Accounts are prepared on a receipts and payments basis. Totals in the accounts agreed with totals on cash analysis sheets.

Budget & Precept

Budget procedures are sufficient and the annual precept assessed and agreed by full council.

Book-keeping & minuted records of Expenditure

A sample examination of the computer spread sheet receipt and payment records show that they are regularly maintained, correct and regularly balanced. Payment records coincide with the minutes of monthly meeting.

Payment & Receipts

All payments are supported by invoices. Expenditure is approved by the full council at monthly meetings.

All expenditure is minuted. VAT on payments has been correctly recorded and reclaimed. Although, the VAT return was completed to end of February 2017 and March VAT was not included despite the return being submitted on 8th May 2017.

Petty Cash

No petty cash system is currently operated.

Standing Orders & Financial Regulations

The Standing Orders, adopted Oct 2012, were last reviewed in 2014. The Parish Council is scheduled to review in October 2017. There is a Recording and Reporting of Meetings Policy adopted in November 2016.

The Financial Regulations, adopted Feb 2014, were reviewed in February 2017 and are appropriate for the needs of the council. A review date of February 2021 was indicated.

It would be advisable to make an annual statement for the Standing Orders and the Financial Regulations that the Parish Council is satisfied they are sufficient for purpose and minuted at a meeting.

The Clerk is the Responsible Financial Officer and is responsible for maintaining all the council's records.

Risk Management and Internal Controls

The Council assessed and reviewed risk and internal control in February 2014 and the activities of the council have been consistent. No review date has been set for the Financial and Operational Risk Assessment. This does need to be reviewed and, again, it would be advisable to make an annual statement for the Financial and Operational Risk Assessment that the Parish Council is satisfied it is sufficient for purpose and minuted at a meeting.

Insurance is reviewed annually with each premium payment and the Council has a policy through Brokers Came & Co. The policy document for 2016/17 was not available; however, the 2017/18 document was present.

Salaries & HMRC returns

The Clerk's monthly salary and expenses are paid in accordance with Council approvals. PAYE and NI requirements are correctly applied.

Income

There is a small amount of income from rental of land and the remainder of the Council's income is derived from the Parish Precept.

Tenancies

The Council rents 3.2 Ha of agricultural land (known as The Brickyard) to one tenant. There is a Tenancy Agreement for the rental which was reviewed in 2017 and the council resolved to continue the tenancy under the Agricultural Tenancies Act 1995 (Farm Business Tenancy) on a 'rolling' year on year basis.

Asset Controls

The asset register was correctly completed to year end 31st March 2017. All acquisitions and disposals have updated.

Bank Reconciliation

Bank accounts are reconciled monthly and there are no unexplained balancing entries.

Mrs E Bateman.....



1st June 2017