

K J Wilkins Esquire  
15 Ramsthorn Grove  
Walnut Tree  
Milton Keynes  
MK7 7ND

14 May 2013

Old Woughton Parish Council  
8 Baskerfield Grove  
Woughton on the Green  
Milton Keynes  
MK6 3EN

Dear Sirs

**REPORT ON INTERNAL AUDIT FOR 1 APRIL 2012 – 31<sup>st</sup> MARCH 2013**

Thank you for asking me to perform an internal audit for the 2012-2013 financial year. I confirm I was given complete access to any and all paperwork that I required to be able to carry out the audit to my satisfaction. The Clerk presented me with a checklist that she required me to work through. I was given access to the “Governance and Accountability in Local Councils in England and Wales – a Practitioners Guide” reference Appendix 5.

My comments are as follows:

1 **PROCEDURES:**

- a) **BUDGET:** The process of reporting the budget to councillors and residents, appears open and I noted that the budget was posted on the notice-boards and reported in the minutes. The procedure to determine a budget shows diligence with all versions being saved.
- b) **PURCHASES:** I reviewed the purchasing procedure. Clerk generates PO's for all purchases and adheres to the Standing orders.
- c) **ALLOTMENTS:** Clerk informed me that the allotment management is not handled in house at present.
- d) **INSURANCE:** Clerk proved several quotes had been obtained and the Council had chosen best value.
- e) **PLANNING:** planning applications are sought on line via portal. Clerk flags them to Councillors (there is no dedicated planning committee) and registers them by placing on the next available meeting agenda. Have suggested that a register of all applications is kept to monitor approved plans and progress for ease of reference.

2 **COMMUNICATIONS**

- a) The Clerk indicated that Standing Orders allowed for her to email all paperwork and that she brings 2 x full sets of paperwork to a meeting in case a councillor has not been able to print out a copy. The email monitoring appears satisfactory, now the Clerk has cloud storage in place for dedicated parish council use. The Newsletter has appointed Editor who controls information to safeguard against risk of defamation. There is no complaints

procedure in place. The noticeboards were not checked due to the nature of having to complete the work in a prompt manner.

- b) POSTAL SERVICE: The clerk does not record who letters are sent to. This might be worth looking into but is more to do with best practice than necessary for auditing. However I do find it strange the Clerk's address is not the registered address for the Council.

3 **DOCUMENTATION**

- a) STANDING ORDERS: I was offered and read a copy of the Standing Orders and Financial Regulations.
- b) MINUTES: I spot-checked minutes for 2012: June, August, September, November, 2013: January and February and find them satisfactory. The Clerk notes, in most cases, only the decisions made as per recommendations but uses her discretion to pad out the information when she feels necessary. The Clerk files all minutes in a waterproof and moth proof folder.
- c) RISK ASSESSMENT: I have been through the Risk Assessment with the Clerk and find everything satisfactory.
- d) FIXED ASSETS REGISTER/INVENTORY: All satisfactory

4 **FINANCE CONTROLS**

- a) CASH BOOK: I checked the cash book (income and expenditure). I did suggest the clerk standardise the method of recording the date in excel. There were 2 instances where VAT could be claimed and the Clerk has adjusted the record. Cheque 6 has been outstanding for over 6 months, I suggested the Clerk reverse in the Cash Book in next financial year. There are no accruals
- b) BANK RECONCILIATION: I spot-checked bank reconciliations for 2012: June, August, September, November, 2013: January and February. They agree to the bank statements
- c) BANKING: I note that the Clerk does not handle banking and has no access as an administrator on the accounts. I would recommend that the Clerk have administrative rights to the account to enable her to access balances if statements are not received in a timely fashion.

5 **REPORTS**

- a) FINANCIAL RECORDS: The Financial records all appear to be of a satisfactory level. There are tight controls on most areas of the finance process,

**RECOMENDATIONS:**

Complaints procedure be implemented as risk management

Banking: Clerk be allowed to access bank accounts for statements access and to access information in times of urgency

Look into Registered address of Council.

Planning register be kept

I attach under cover of this report, the signed and detailed check list and my invoice. I believe I have carried out the audit to the best of my ability.

Yours truly

KEVIN J WILKINS

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Client: Old Woughton Parish Council

INVOICE: OWPC/0514

Old Woughton Parish Council  
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To carry out the internal audit (fixed cost)  
Produce report and sign annual return

£90.00

Terms:  
30 days

With thanks