

OLD WOUGHTON PARISH COUNCIL INTERNAL AUDITOR'S REPORT

Summary Assessment – Old Woughton Parish Council carries out its financial obligations well, often with exemplary aspects. Councillors have good opportunity for involvement. The Responsible Financial Officer is well-supported by councillor expertise.

1. Appropriate accounting records have been kept throughout the year -

The Parish Council does this very well.

Detailed spreadsheets are kept which through the interlocking of various sheets makes fault-finding, such as mis-entered entries show up. The linked formulae permit easy administration as summary sheets are instantly updated with every entry. Councillor expertise has been significant in the establishment of this system. This is a template others would do well to imitate.

2. Financial regulations –

The Parish Council follows good procedures that encompass the appropriate following of regulations.

Payments are properly supported by invoices which have been counter-signed in many cases. Cheque numbers are written on invoices in the normal way but this additional control permits easy tracking should a transaction be disputed. Filing does not always follow chronological dating but this is a minor point.

VAT is properly recorded both in summary accounting statements and in the spreadsheets with again a simple cross-check tally on summary sheets.

3. Risk Assessment –

The awareness of risk in everyday situations is very good.

The risk assessment document is extremely thorough for such a small parish and the documentation is clearly reviewed annually. The use of cloud data storage through Google Apps is a good example of exemplary practice.

4. The setting of the precept and the budgetary process –

The process is thorough and allows all to be involved.

From the documentation it is clear that the budget is set in considerable depth with good strategic foresight. The aim of reducing the overall balance of the accounts through the setting of a low precept is correct and to be commended. The minutes suggest that all councillors have good opportunities to comment and be involved in the budgetary process and the setting of the precept.

5. Expected income, recording and banking –

The Parish Council does this very well.

Expected income was fully received and this was well followed up where payments were slow in coming. Income was promptly banked and well recorded in the exemplary spreadsheets referred to above. Councillor involvement was significant. VAT was duly monitored.

6. Petty Cash – not applicable

7. Salaries and Allowances –

The process is transparent and thorough. Allowances are not paid to councillors.

The single salary is clearly recorded with due detail and HMRC/RTI accounting for PAYE is up-to-date for the current year. An outstanding anomaly from a previous year has been kept open in spite of HMRC assurances that all was in order. Pay is duly countersigned, sometimes by two councillors – National Insurance is not applicable.

8. Asset and Investments Registers –

The Fixed Asset Register is easy to consult and regularly reviewed.

The Asset Register appears to be up-to-date and the history of changes is transparent. Insurance evaluation is kept up-to-date. The Parish Council does not hold any investments.

9. Periodic and year-end bank account reconciliations –

The very good spreadsheets make this a constant and ongoing process.

Periodic and year-end bank account reconciliations are properly carried out. Again the detailed spreadsheets with cross-checking versatility make this an easy task with automatic verification through formulae. The changeover in banks has been a long drawn out process but nevertheless the spreadsheet detail should hold the transfer of funds in good stead.

10. Accounting statements prepared throughout the year –

This process is very good.

Accounting statements are prepared on the correct basis throughout the year. There is a good audit trail of who has signed cheques with dates. There are no extant debtors or creditors. Budget versus actual receipts and payments are constantly monitored.

NOTE – It is not the prerogative of the internal auditor to monitor separate allotments records and these have not been seen (apart from relevant allotments banking accounts).

Signed

H.R. Atkins

date

18 AUGUST 2015

Harold Atkins, internal auditor for Old Woughton Parish Council accounts 2014/15