

UPCHURCH PARISH COUNCIL

INTERNAL AUDIT REPORT 2015 - 2016

I am pleased to report to Members of the Parish Council that I have completed my internal audit of the Parish Council's records for 2015 – 2016.

Members should be aware that the audit tests that I undertook during the audit cannot be relied on to identify the occasional omission or insignificant error, nor to disclose breaches of trust or statute, neglect or fraud which may have taken place and which it is the responsibility of the Members of the Council to guard against through the Parish Council's internal control procedures.

Members will be pleased to know that I did not find anything major in my financial audit to report and that I found the record keeping to be of a good standard and the Parish Council's approach to the management of risks to be sound. I have, therefore, been able to complete Section 4 of the Annual Return.

I would like to take this opportunity to thank your Clerk for the assistance given to me in the conduct of the audit that took place on 24 May 2016.

PREVIOUS AUDITS:

External Audit Certificate 2014 - 2015:

The External Audit Certificate for 2014 - 2015 (Section 3 of the 2013 - 2014 Annual Return) was dated 12 September 2015.

The External Auditor raised one exception item regarding the asset register. I discussed the Auditor's comments with the Clerk and she informed me that the register had now been reviewed. Two new defibrillators had also been added during the year.

The External Auditor also raised two minor matters on the audit certificate regarding the full and accurate completion of the Annual Return. I discussed these two matters with the Clerk.

The Audit Certificate was reported to the meeting held on 5 November 2015 (Minute No. 88(iii))

Internal Audit 2014 - 2015:

There are no matters outstanding from my previous report.

FINDINGS THIS VISIT:

During the visit I carried out work which included reading the minutes, checking the accounting records including the cashbook, payroll, VAT records, bank statements and bank reconciliations with the cashbook.

Cashbook:

The cashbook was up to date and there was a good audit trail to the receipt and payment vouchers.

Bank Reconciliations:

Bank reconciliations have been carried out and there were no unexplained entries.

Value Added Tax:

The VAT records were accurate and up to date.

Payroll:

The HMRC requirements for Real Time Information have been met and regular payments made to them in respect of PAYE and NI.

Insurances:

The level of cover in respect of Employee Dishonesty is currently £250,000 and meets the recommended minimum level of cover.

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Minutes:

All the Minutes inspected had been signed/initialled.

2016-2017 Precept:

The 2016-2017 Precept was approved at the meeting held on 7 January 2016 (Minute No. 118(ii)).

Standing Orders and Financial Regulations:

The Parish Council reviewed its Standing Orders and Financial Regulations at the meeting held on 3 March 2016 (Minute No. 149(ii)).



**Kevin Funnell, F.M.A.A.T.
Independent Internal Auditor
24 May 2016**