

# **INTERNAL AUDITOR'S REPORT TO FOXTON PARISH COUNCIL**

April 2018

## **INTRODUCTION**

This report covers the completed audit carried out during and for the financial year 2017-18, in accordance with the Accounts and Audit Regulations 2015.

The audit work has included a thorough review of all accounting transactions and sampling of other activities of the Council based on my assessment of risk. On a day-to-day basis, the management of the Council's finances is one of the duties of the Clerk, in her capacity as Responsible Finance Officer (RFO), supported by all members of the Council. The Council remains responsible for the assessment and management of risk and the provision of good governance.

The financial statements, governance arrangements and controls are reviewed annually by the Council's external auditors.

## **REVIEWS UNDERTAKEN (using audit report references within the AGAR AIAR)**

### **A. Bookkeeping and appropriate accounting records**

Detailed examinations of transactions have taken place to ensure financial records are up-to-date, the arithmetic is correct and that the accounts balance. In my opinion, appropriate books of account have been kept throughout the period covered by this report.

### **B. Financial Regulations**

The Council last reviewed its financial regulations at the AGM in May 2017, without amendment.

The regulations as they stand have been properly observed.

VAT was properly accounted for

Payments are made by cheque for all expenditure, including clerk's salary with the exception of Data Protection registration, which is paid by direct debit. Approved payments are listed in the Council minutes, demonstrating an important control measure.

### **C. Risk management**

The Council reviewed the adequacy of its Risk Management policy at its Annual General Meeting in May 2017, without amendment.

The risk register focusses predominantly on financial risks to the Council. However notable omissions are the burial ground and the play equipment situated in the Robert Monk Hall grounds, and the potential risks arising from public access. The risks are clearly presently mitigated by periodic inspections, or public liability insurance, but I believe inclusion/documentation in the risk register would enhance the quality of that register. I understand on speaking to Councillor Ward that this is presently under consideration and is to be put before the Parish Council for approval shortly.

#### **D. Budget**

The budgetary procedures are effective and the annual precept correctly assessed. Monitoring of financial performance against the budget remains fully effective.

#### **E. Receipts**

The procedures for the receipt of money due to the Council have been reviewed and found to be of a high standard in accordance with financial regulations.

#### **F. Petty Cash**

There are no petty cash transactions.

#### **G. Payroll**

The Clerk's salary and allowances are minuted with all payments.

PAYE and NI requirements are processed and administered using an external agency. Responsibility for processing of all payroll related payments remains within the Council.

#### **H. Asset control**

The asset register is updated regularly and reconciled to the accounting statements. It is presented to councillors for review at the AGM

#### **I. Banking and Bank Reconciliations**

Bank reconciliations are carried out regularly and a year end bank reconciliation forms part of the accounts.

## **J. Year-end procedures**

The Council produces financial statements on a receipts and payments basis, which is in accordance with the requirements of the Accounts and Audit Regulations 2015.

The year-end procedures have been reviewed and found to provide clear and concise accounting records which lend themselves to a clear audit trail to the Accounting Statements.

Where required, variance analyses have been provided, giving clear explanations.

## **RECOMMENDATIONS**

I have no recommendations.



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25<sup>th</sup> April 2018

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