

Internal Audit – Ryton-on-Dunsmore Parish Council

I met with the Clerk and Chairman of the Parish Council on 8th January 2016 to look at the procedures used in financial matters and to examine the accounts. I met with the Clerk for a final review of the Ryton-on-Dunsmore Parish Council financial controls on 22nd April 2016.

Financial Regulations, Budgeting and other Information

I am pleased to see that following last year's regarding the signing of invoices to provide a check on the value of the invoice and associated issued cheque is being followed.

It is noted that the meeting pack is now received via a link to the website – no printed copy is sent out. This new procedure appears to have gone well and has had the benefit of reducing the numbers printed from 16 to 6 thus saving costs. I am aware that this process will be reconfirmed every year.

I conducted an examination of the accounts by following a random selection of transactions through the blue sheets, invoices and accounts. The procedures in use appear to be robust.

£106 money is received in to the Council before being spent.

If the Chair's Honorarium is not all spent within the year it will be returned to the Council at the end of the year. This has been formalised in the budget for expenses.

VAT

VAT is appropriately recorded and recovered on purchases. Payments are received from HMC via BACS and are duly recorded in the accounts.

Income

All income is properly documented.

Asset Register

The register is adequate.

Banking, Accounts and Year end Procedures

Bank reconciliations are performed every month by the clerk and Chairman, and then are presented to the Council at each meeting as part of the Blue Sheet system.

An end of year reconciliation is also carried out.

A professional review of the accounts is performed twice yearly and final accounts drawn up.

Payroll

Salaries are paid in accordance with Council approval. PAYE/NIC returns are performed electronically.

Recommendations

The financial procedures undertaken by the Clerk are not yet fully documented but it is pleasing to see that some procedures have been done (payroll and updating the website). I am aware that this is a time consuming activity and it should be continued to ensure that if the Clerk should be absent that the office can continue to run smoothly.

The Clerk has been in post for many years and is fully conversant with the requirements of his office. There may, however, be times when he needs to be absent for a period of time and this occurrence should be adequately prepared for. It is recommended that the procedures (financial and administrative) undertaken by the Clerk are documented. This should not be a prescriptive of the exact methodologies used but should be adequate enough to ensure that anyone stepping into the role can ensure that the Council continues to run smoothly.

Marion Borman
14/5/16