

MS AUDIT & CONSULTANCY SERVICES
PARISH COUNCIL AUDIT
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Mrs E Foxon
Clerk to the Council
Thurlaston Parish Council
16 Cambridge Drive
Desford
Leicester
LE9 9JB

13th May 2016

Dear Mrs Foxon,

INTERNAL AUDIT REPORT 2015/2016

I have concluded the annual internal audit of the Parish Council and completed the Internal Audit section of the Annual Return. We discussed a number of points at the conclusion of the audit and the key matters are highlighted below.

MATTERS ARISING

1.Cash Book

Following a change in the Clerk to the Council, the manual cash book was computerised (Excel). However, the format was not easy to follow and it has been agreed that with effect from 2016/17 that the layout of the cash book will follow best practice as set out in "The Governance & Accountability Guidance For Parish Councils".

Recommendation

In future, the Council's Excel cash book should follow the standard template for Parish Councils as set out in "The Governance & Accountability Guidance For Parish Councils".

2.Bank Reconciliations

Despite several requests, the Council's bankers (NatWest) have not provided official bank statements since 29th June 2015. Whilst this has not prevented bank reconciliations from being carried out, it is standard accounting practice that official bank statements must only be used to support a bank reconciliation.

Recommendation

The Chairman should make a formal request in writing to the Council's bankers for official monthly bank statements from 29th June 2015.

3. Payments

Although all payments are recorded in the Minutes as approved, there was one missing invoice to support a payment of £49.80 (chq 250) and Clerks petty expenses of £7.00 (chq254), £20.98 (chq 20.98) and £4.00 (chq 279). These omissions all relate to the tenure of the previous Clerk.

Recommendation

Consideration should be given to obtaining a copy of the missing invoice to support cheque 250.

Cheque signatories should in future sign off Clerks expenses claims to confirm that supporting vouchers are present and stapled to the expenses claim.

4. Receipts

There were several income receipts in the cash book/bank statement without supporting correspondence on the Account File.

Recommendation

To improve the audit trail, the Accounts File should contain independent information as to the source of each item of income –other than bank account interest.

I look forward to being of assistance to the Parish Council next year.

Yours sincerely,



Mike Spencer
Audit Consultant