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12 May 2015

Tanfield Parish Council
Mrs Iona Taylor

Re Internal Audit 2015

I have undertaken the internal audit of the accounts and documents for Tanfield Parish Council and am satisfied that the Responsible Financial Officer has carried out the work throughout the year in a satisfactory manner. In fact, I would commend her for her concise and detailed work, particularly regarding hours worked and exact work undertaken, and the way she has presented the documents for audit.

Recommendations

Comments made by External Auditor on 2013/14 Annual Return should be acted upon or inaction justified

Precept figure for 2013/14 included the Local Council Tax grant and this should be removed from this figure and included in general income

Figures for 2013/14 need to be restated to deal with Local Council Tax Grant being paid with the precept. (There is no Local Council Tax grant in 2014/15, so precept will appear to have increased more than expected)

Change of fixed asset value to insurance value was questioned.

It is recommended that a copy of the minute explaining this change and confirming it is the decision of the Council (October 2014) or a special comment signed by the Chairman be submitted with the Annual Return

Comments made by Internal Auditor should be acted upon or inaction justified

Salary, tax and expense cheques were separated so that the amounts in the accounts and on the Annual Return for Staffing Costs could refer only to the salary / tax

Although there are now multiple cheques, the figures are still together within accounts and Annual Return

This should be reconsidered when accounts are completed in 2015/16

Proper authorisation of payments

It is noted that all payments are approved at Council meetings and appear in the minutes. However, it is good practice to authorise payments by the 2 Councillors signing each cheque also signing the cheque stub and invoice. This would provide evidence that the Councillors had checked that the invoice was correct and that it matched the cheque amount.

It is recommended that this procedure is adopted

Continued.....

Correctly entered
JW

Statutory Matters

Standing Orders, Financial Regulations, Risk Assessment need to be kept update in light of legislation There have been various changes to law recently, and these need to be reflected in these documents. Examples include the granting of dispensations by the Council itself, the right of anyone to film Council meetings with or without permission, the Transparency Code for Smaller Councils which means that all transactions over £100, as well as many other documents must now be posted on the Council website. A current website now becomes essential, so loss of this becomes a risk.

It is recommended that these key documents be reviewed, checking with YLCA regarding latest model policies and recent legal changes

I trust that the above recommendations are helpful to the Council
I am happy to discuss any matters further with the Responsible Financial Officer

Kind regards



Susan Welch BSc