

Bretherton Parish Council – Year Ended March 2016

Audit Report to the Members of the Council.

I have audited of the books of account and associated reports for Bretherton Parish Council for the twelve months ended 31st March 2016 and detail below my observations;

The accounting records are very well maintained and provide a clear audit trail through to the Annual Return submitted to the External Auditor.

The prime entries are fully recorded and flow through to summaries from which monthly accounts are compiled.

The audit was concerned with internal controls and ensuring that they were fit for purpose but the major amount of time was spent following the audit trail from original entry through to final accounts.

During the audit the following checks were carried out;

1. Annual Precept
2. Expenditure documentation (invoices).
3. Income analysis along with supporting documentation where available.
4. Scrutinise council minutes for exceptional activity.

The monthly financial submissions to council now include **Bank Reconciliation** and a **Financial Monitoring Schedule**, which effectively gives council an accurate overview of the financial state of the parish council.

Full council at their meeting held February 2015 agreed the **Parish Precept**. This was prepared to a documented timetable and reported against at each council meeting.

A **Risk Assessment** was carried out in March 2016. **Standing Orders** (October 2015) and **Financial Regulations** (October 2015) are current and adopted by council

Bank Balances at the end of March 2016 were £14.7k; at the end of the prior year the balance was £15.4k.

The Audit Commission has in the past expressed the opinion that Reserves (bank balances) should be between 25% and 100% of gross expenditure unless earmarked for specific projects.

With specifically identified reserves it can be demonstrated that the reserves (bank balances) are not excessive (see attached notes)

Other

All financial documents show evidence of having been scrutinised and initialled by two members of the council.

Asset Register

The accounts identify £119.8k of fixed and long-term assets (prior year £109.7k).

A detailed list of assets is available with the Annual Return.

Summary

All significant financial movements are explained in notes prepared by the clerk and attached to the Annual Return.