

## Internal audit report action plan June 2017

Beckington Parish Council

### **Agenda Item: 7B**

#### **Background:**

The Council appointed Mrs Nicola Phillips, an experienced Clerk from North Dorset, to carry out its internal audit.

Mrs Phillips has highlighted some areas of concern where the Council is failing in its statutory duties. Her report to the Council, that will be sent to the external auditor, fails the Council on statements: A, B, G & H

The issues that are highlighted are:

- A. Incorrect accounting for expenses (The minutes and the receipts are not the same)**
- B. Missing receipts**
- C. Not all cheque stubs double signed**
- D. The Clerks wages not being processed correctly**
- E. Asset register out of date**
- F. End of year bank reconciliation not received by Council.**
- G. Some minutes not signed**

#### **Action plan to address the issues raised:**

The Council has looked at the issues raised in the report, it notes that no member is being accused of doing anything wrong, but that expenses are not being accounted for correctly, as in the minutes and receipts don't match. The Council acknowledges that the systems can be improved and has taken immediate action to address the issues raised:

- A. An expenses form will be adopted by the Council. Members will have to record the exact nature of the expense and attach a receipt. This expense will then have to be approved by the Council and signed by the Chairman (or in the case of a Chairman's expense claim, by the Finance Member). Details of the cheque number will also be recorded on the form. The minutes of the meeting will read 'Members expense claim' and the name of the Member that made the claim, details of the claim can then be found on the form.**
- B. The newly adopted expenses form will not be approved without receipts, so this will no longer be an issue.**
- C. Clerk to ensure that both Members sign the Cheque stubs at the same time as signing the Cheque.**
- D. The Council has already acted on this matter and at its May meeting it appointed a member with a financial background to ensure that this is done correctly and oversee all financial matters, carrying out a double check on the Clerk every month.**
- E. The Council has already acted on this matter and at its May meeting it considered the assets register and updated it. It will be on the June agenda for the Council to formally adopt the up to date register. In the future, this will be put on the May agenda every year.**
- F. The Council has already acted on this matter and at its May meeting it received and approved the end of year bank reconciliation. This will be done at the April meetings in the future.**
- G. Clerk & Chairman to ensure that all approved minutes are signed at the meeting they approved at.**