

This page is part of Section 3 - External auditor certificate and opinion 2015/16

Badgeworth Parish Council

Audit Report for the year ended 31 March 2016

Matters reported

Section 2 Accounting Statement

The Council were unable to provide the balance for box 7 Annual Return 2015/16. This was due to the Council accounting on an income and expenditure basis with incorrect figures being accrued for VAT and not adjusted accordingly. There is an unidentified difference of £22.90 between the cash book and the bank account that the council should rectify. The correct figures for 2015 and 2016 based on receipts and payments are:

	2015	2016
1	11,703	13,183
2	14,814	11,480
3	27,090	3,010
4	5,691	6,029
6	34,733	6,082
7	13,183	15,563

The Council should also restate the 2016 figures on next year's Annual Return and write "restated" beneath the £ sign on the 2016 column.

Risk Assessment/Internal Controls

The internal Auditor answered 'No' to objection C. At the time of the audit the Council had not undertaken a full risk assessment and were not able to provide evidence that the Council maintain an adequate and effective system of internal controls.

A risk assessment should be performed at least annually and as a minimum, members should:

- take steps to identify the key risks facing the Parish Council
- evaluate potential consequences to the Council if an event identified as a risk takes place; and
- decide upon appropriate measures to avoid, reduce or control the risk or its consequences. This might involve insurance or the implementation of internal controls

Its noted that the Council have now created a Risk Assessment policy to be implemented in 2016/17.