

Income controls

Precept and other income, including credit control mechanisms

Income controls were checked and income received and banked cross referenced with the Cash Book and bank statements.

Petty Cash

Associated books and established system in place

No Petty Cash is held; an expenses system is in place.

Payroll controls

PAYE and NIC in place where necessary.
Compliance with Inland Revenue procedures
Records relating to contracts of employment

PAYE System in place: Invoices were submitted to the Council by the Clerk, Mr Barry Cable, for work undertaken. A PAYE payment of £165.60 was made to HMRC during the year of account.

A penalty of £400 was paid by the Council to HMRC on 23 November 2015 due to the failure to submit an end of year return (P35) by the due date.

Asset control

Inspection of asset register and checks on existence of assets
Recording of fixed asset valuations
Cross checking on insurance cover

The Asset Register was reviewed and accepted by the Council at its meeting on 11 February 2016 (Minute 14 refers). The entry in Box 9 of Section 2 of the Annual Return displays a total asset value of £2,691 as at 31 March 2016 (an increase of £521 over the value at the end of the previous year) and reflects the purchase of two new notice boards in the 2015/16 year.

Current requirements provide that each asset should be recorded at its original purchase cost or where the original purchase price is unknown a current value is recorded, which acts as a proxy for the original cost and will remain unchanged until disposal. The value of assets listed in the Asset Register include those shown as 'replacement value' and 'insurance value' and it is not clear whether the valuation placed against these individual items meets the current requirements. Accordingly,

Recommendation 5: The Council should confirm the correctness of the entry in Box 9 of Section 2 of the Annual Return as at 31 March 2016 viz. the total of the original purchase cost of each fixed asset, or where the original purchase price is unknown, the value which acts as a proxy for the original cost and which will remain unchanged until disposal.

Box 9 in Section 2 of the Annual Return also requires the entry of the recorded value of all fixed assets owned by the Council and any other long term assets, including any long-term investments. The current entry of £2,691 in Box 9 fails to record any amount relating to the book value of the 2.5% Consolidated Stock, a Long Term Investment.