

ST NEOTS TOWN COUNCIL
MINUTES OF THE MEETING
OF THE AUDIT COMMITTEE
HELD ON WEDNESDAY 28 JULY 2010

Present: Cllr G Thorpe
Cllr Mrs K Cooper
Cllr D Harty
Cllr Mrs J Bird

Cllr J Cooper-Marsh was not present.
Two representatives from the Internal Auditors, Kinnaird Hill were present.

1. Appointment of Chairman

Cllr G Thorpe was elected as Chairman.

2. Appointment of Deputy Chairman

Cllr D Harty was elected as Deputy Chairman.

3. Apologies for Absence

There were no apologies for absence.

4. Declarations of Interest

No declarations were received.

5. Minutes

The Committee approved the Minutes of the meeting held on 20 January 2010.

6. Internal Audit Report

The Town Council's Internal Auditors, Kinnaird Hill, presented a summary they had prepared of the internal audit work carried out for 2009/10. They had found no major areas of concern and improvement in the Council's working procedures for Priory Centre stock-taking and administration of cemeteries and churchyards.

The matters arising from the internal audit were presented and the Responsible Finance Officer detailed how procedures would be put in place or improved if not already in place to resolve these control issues.

- 1) Vehicles – driving licences only inspected at commencement of employment and no periodic check is carried out. Procedure need to

ensure vehicle users continue to hold a valid licence or received endorsement which may invalidate the insurance cover.

The Responsible Finance Officer confirmed that a procedure had now been put in place and vehicle users would have their driving licenses checked annually. A report on this would then be presented to the Audit Committee.

- 2) Stock Procedures – Systems have improved in the year. There are now set procedures to record and count stock and identify and manage slow moving and obsolete stock. These procedures should be noted and included as part of the procedures manual.

The Responsible Finance Officer reported that they had been trying different practices to make sure they find the most accurate procedure. They had now found the best system and would be including the written procedure in the manual and be brought back to the Committee in October.

Stock movements are not currently provided for on the accounts system.

The Responsible Finance Officer confirmed that where stock movements exceed £200 a journal will be provided in the accounting system.

- 3) No evidence that suppliers' statements are check and agreed.

The Responsible Finance Officer confirmed that in future year end statements will be retained. A working procedure will be added to year end tasks.

- 4) Purchase Orders had not been authorised – The Responsible Finance Officer confirmed that additional training had now been given to ensure employees followed procedure and a review would be carried out regularly by the Finance Department.

- 5) Allotment income – No system in place to ensure invoices posted onto the account are complete.

The Responsible Finance Officer explained that the cemetery and allotment invoices were raised by the administration team and their system was not linked to the Finance Dept. In future batch posting would be checked against the Administration's invoice spreadsheet.

- 6) Small cash receipts – these are analysed monthly on a spreadsheet but when banked a round sum of money is deposited.

The Responsible Finance Officer confirmed that in future all monies taken would be banked intact not in round sums.

- 7) No number sequence check in place to ensure no gaps in cemetery sales invoices posted onto accounts system.

The Responsible Finance Officer reported that, as (5) above, batch posting would be checked against the Administration's invoice spreadsheet.

- 8) Priory Centre cash float – no evidence that this is counted and reconciled regularly.

The Responsible Finance Officer informed members that the cash float is counted by Priory Centre staff twice weekly and recorded in a cash book. This had not been recorded in the procedures before but would be in future. The Finance Department and Priory Centre staff would also sign when they had completed their checks.

- 9) No documented system to ensure all grants, donations and recharges received.

Inter-departmental recharges are processed on a monthly basis. The Finance Department will add to the schedule for the beginning of the financial year.

- 10) No number sequence check in place for hall hire sales.

The Priory Centre booking software does not create invoice numbers. Alternative software is being investigated which will allow this, in the meantime a manual list of sales invoices is prepared by the Priory Centre and reviewed and initialled to confirm invoices have been processed onto the accounting system.

7. Risk Register 2010/11

The Town Clerk presented the Town Council's Risk Register for 2010/11 which members had reviewed this prior to the meeting. They had found no issues to raise.

Members noted the report and

APPROVED the Risk Register for 2010/11.

Meeting closed at 8.55pm.

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Chairman
29.07.10