



# Black Rose Solutions Limited

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28<sup>th</sup> April 2016

Dear Tony,

## Perton Parish Council - Internal Audit 2015/16

I confirm that I have carried out an examination of your accounts and procedures, in accordance with the requirements of the Accounts and Audit Regulations 2003 (amended).

I can state that I have no concerns and nothing significant to report (minor observations listed over).

I would also confirm that I am totally independent of your Council and have no contact, at any level, with any Member, employee or supplier.

Your sincerely,

A handwritten signature in black ink, appearing to be 'Sandra Morris', written in a cursive style.

Mrs Sandra Morris ACMA



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## Advisory Notes

Observation	Risk
<p>Direct bank transfers only require one authorisation. (Though it is still the case that all paperwork is reviewed and approved by signature.)</p> <p>Various supplemental controls are in place, there are limits on the value of transactions and bank statements are regularly reconciled, reviewed and approved.</p> <p>Dual authorisation could give various benefits including a second check to avoid errors, reduced risk of fraud, theft of passwords and security devices etc.</p>	<p>There is a risk of error, fraud or theft of passwords etc.</p> <p>On the same basis as dual cheque signatories dual authorisation should be set up if possible (various banks offer this service).</p>
<p>Minutes contain a lot of detailed information.</p> <p>Advice from NALC in the Parish Toolkit:-</p> <p><i>Minutes should be:</i></p> <ul style="list-style-type: none"> <li>• <i>as brief as is consistent with accuracy;</i></li> <li>• <i>precise and concise;</i></li> <li>• <i>self contained (i.e. complete in themselves and understandable without reference to other documents);</i></li> <li>• <i>decisive (so that there is no doubt about the decision made);</i></li> <li>• <i>minutes, not hours!</i></li> </ul>	<p>While it is useful that the minutes are informative, there is a risk that in containing so much information some significant items might be overlooked, or that people may be discouraged from reading the whole document.</p> <p>Perhaps some of the longer reports could be summarised in the body of the minutes, with the entire report included in appendices.</p> <p>Maybe a separate "newsletter" could be produced, adding additional information to accompany concise minutes.</p>
<p>VAT has not been reclaimed on occasional low value petty cash receipts and mileage claims.</p> <p>VAT receipts from supermarkets often do not itemise the VAT value, though give the VAT number so could be used to claim (on low value purchases). Sainsburys denote items subject to VAT with an asterisk.</p> <p>Mileage claims need to be supported by VAT receipts for fuel, and the rate updated quarterly in line with HMRC Advisory Fuel Rates.</p>	<p>There is no requirement to reclaim this, and the value is unlikely to be material.</p> <p>The added administrative burden may outweigh the benefits.</p>