

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

**Ogbourne St George Parish Council  
Audit Report for the year ended 31 March 2016**

**Other matters not affecting our opinion which we wish to draw to the attention  
of Ogbourne St George Parish Council for the year ended 31 March 2016**

**Overdrafts**

We note that the closing cash book balances on the current account at 31 March 2015 were negative after the deduction of outstanding cheques.

Although the balance in the bank at the year end is not overdrawn our audit work has indicated that there are control weaknesses.

We would remind the Council that internal financial control arrangements should be reviewed to ensure that procedures are in place to make the Council aware of the financial and legal implications of their spending decisions and the timing of them and to avoid unauthorised borrowing occurring

Please note the Local Government Act 1972 (LGA 1972) Schedule 13 paragraph 10 limits temporary borrowing by local councils to two specific circumstances as follows:

- a. For the purpose of defraying expenses (including the payment of sums due by them to meet the expenses of other authorities) pending the receipt of revenues receivable by them in respect of the period of account in which those expenses are chargeable;
- b. For the purpose of defraying, pending the raising of a loan which the authority have been authorised to raise, expenses intended to be defrayed by means of the loan.