

STRATFORD DISTRICT COUNCIL

SECTION: FINANCIAL	
POLICY: "<u>LIMITED REVIEW</u>" (AUDIT) FOR VARIOUS ORGANISATIONS	
RESPONSIBILITY: Corporate Services	REVIEW DATE: March 2008
VERSION: 1	APPROVED DATE: March 2005
FILE NUMBER: 16043	
DELEGATIONS REGISTER NO: [Click here]	

1. Stratford District Council provide the service of a “Limited Review” (audit) for the Halls and Domains listed in Appendix 1. This service to be free of charge.
2. The “Limited Review” procedures as outlined in Appendix 2 be used in performing the “Limited Review”.

Appendix 1:

RURAL HALLS AND DOMAINS

Croydon Road Domain and old School
Douglas Domain
Huiroa Domain and Hall
Midhirst Domain
Midhirst Hall (land only)
Kohuratahi Hall
Strathmore Hall
Tahora Domain
Te Popo Domain
Toko Domain
Tututawa Domain and old School
Whangamomona Campsite
Whangamomona Domain
Whangamomona Scenic Reserve
Wharehuia Hall

Appendix 2:

LIMITED REVIEW PROCEDURE

1. Overview

In Organisations of similar nature, the internal control over receipts and payments is limited. Therefore the “Limited Review” will consist of substantive satisfaction that the Books of Accounts/Financial Statements true and fairly represent the Bank Statements transactions.

2. **Substantive Procedures**

2.1 **Bank Reconciliation**

Books of Accounts/General Ledger must reconcile to the year end Bank Statement with verification on opening bank/cash balance.

2.2 **Statistical Sampling of Transactions**

A random statistical sampling of receipts and expenditures should be tested to the Bank Statement.

2.3 **Statistical Voucher Verification**

A random statistical sampling of vouchers to Cash Book/Books of Account/Financial Statement should be performed. This procedure should verify entity, amounts, coding and if available, approval to pay. Note - generally in Organisations of this nature "approval to pay" are non existent.

2.4 **Substantive Testing of Investments/Loans**

Opening and Year End Balances are to be verified.

2.5 **Verification of Fixed Assets**

Beginning balance should be verified.

Accuracy testing of adding and depreciation calculations should be performed.

Consistency of depreciation calculations should be reviewed.

Additions are covered through the statistical voucher verification above.

Unless asset sales are separately identified in Bank Statement Deposits, no verification of asset sales nor profit and loss is to be reviewed.

2.6 **Other Non Cash Classifications**

Items such as debtors, creditors, deposits, accruals and equity are only "Limited Reviewed" as to the entries in the Bank Statement.

3. **Verification of Financial Statements**

That the financial statements presented (by the organisation) shall be supported by the corresponding Books of Account/General Ledger.

LIMITED REVIEW AUTHORITY

That the Corporate Services Manager be responsible for the "Limited Review".

LIMITED REVIEW STATEMENT

In my opinion based on the **Limited Review** performed, as per Stratford District Council Policy, the Books of Account/Financial Statements as at _____ fairly and truly represent the Bank Statement transactions.

SIGNED: _____
Corporate Services Manager