

5 Croftside
Bures
Suffolk CO8 5LL

The Chairman
Bures Hamlet Parish Council
c/o 38 The Paddocks
Bures
CO8 5DF

30 April 2019

Dear Sir

Internal Audit: Bures Hamlet Parish Council
Year ended 31 March 2019

I have carried out an audit of the books in accordance with the terms of the Internal Auditor. The following areas have been covered and any comments made are included:

- 1. Appropriate accounting records have been kept properly throughout the year:*

Details were made available from computer records and invoices and income statements were fully checked against these records.

- 2. The Council's Financial Regulations have been met, payments supported by invoices, all expenditure approved and VAT was appropriately accounted for:*

All expenditure was correctly authorised and proper invoices or back up documentation was held for payments. VAT was correctly calculated and timely returns made.

- 3. The Council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these:*

Reviewed annually and copies of standards and risk assessments held on file. Financial Regulations checked and are adequate and correct. Asset Register and insurance cover reviewed and is up to date. The Minutes of the May meeting list the Policy Documents approved under the Audit heading. The meeting ought to show that these documents had been previously reviewed and then formally adopt them, minuting that adoption.

- 4. Annual precept requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; reserves were appropriate:*

Budgetary process properly carried out; progress against budget reported and monitored at each meeting. Reserves and working capital held at prudent level.

- 5. Expected income was fully received, based on current prices, properly recorded and promptly banked; VAT was appropriately accounted for:*

Yes, all correctly received and accounted for

6. *Petty Cash payments were properly supported by receipts, all expenditure was approved and VAT appropriately accounted for:*

Cashbook and claims checked. VAT claimed where appropriate

7. *Salaries to employees and allowances to members were paid in accordance with council approvals and PAYE and NI requirements were properly applied:*

Checked. Clerk uses the standard Basic PAYE Tools software from HMRC which assesses tax and NI automatically and produces a P60. The P60 was checked and initialled as confirmation.

8. *Asset and Investments Registers were complete and accurate and properly maintained:*

Register maintained correctly with original asset values and insurance cover

9. *Periodic and year end bank account reconciliations were properly carried out:*

Yes. Regular updates provided by clerk at meetings and evidenced by current bank statements. These are signed by the chairman and a non-bank signatory at each meeting. Year-end figures were correctly completed for audit purposes.

10. *Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded:*

All information was correctly produced and made available in accordance with the regulations. The Explanation of Statement of Variances report was checked and found correct.

Please let me know if you have any questions or comments or need any further information.

Yours faithfully

A handwritten signature in dark ink, appearing to read 'Carolyn Holbrook', written in a cursive, slightly slanted style.

Carolyn Holbrook