

5 Croftside
Bures
Suffolk
CO8 5LL

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

8 May 2017

Dear Madam

Internal Audit: Bures St Mary Parish Council
Year ended 31 March 2017

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 were supported by invoices, all expenditure was 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 claims 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 all internal documents were made available.

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. Last year's audit suggested that the Council ought to seek to identify additional projects given the high level of working capital held. The Council gave this suggestion thought and play equipment for Pike's Marsh was paid for and money given to the Sportsground Committee towards grass matting and the Morplus X project. Further thought could still be given to reducing the PWB lighting loan.

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

All correct.

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

Cashbook and claims checked and VAT claimed where appropriate.

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

Percentage of the clerk's wages received, as agreed, from the Sportsground Committee and is paid monthly by standing order.
P60 produced as confirmation of employee pay and deductions.

- 8. Asset and investments register were complete and accurate and properly maintained:**

Register maintained correctly with original asset values and insurance cover, the latter being index- linked.

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

Regular updates provided by clerk and meetings and evidenced by current bank statements. Year –end figures were correctly completed for audit purposes. I recommend that a councillor, who is not a signatory to the bank account, initials both the reconciliation and the bank statement at each meeting.

- 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, were supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded:**

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

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

Yours faithfully



Carolyn Holbrook