

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

3 May 2017

Dear Sir

Internal Audit: Bures Hamlet 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 are included:

- *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
- *The Council's Financial Regulations have been met, payments supported by invoices, all expenditure approved and VAT was appropriately accounted for*  
All present and initialled correctly. VAT claim correctly made
- *The Council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.*  
Reviewed annually and copy of standards/risks held on file. Financial Regulations checked this year and are adequate/correct
- *Annual precept requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored and reserves appropriate*  
Budget was produced and the precept was raised slightly to compensate for the reduction in the Localism Grant. It was decided not to take on any new projects in order to enable funds to continue to build up to a healthy balance.
- *Expected income fully received, based on current prices, properly recorded and promptly banked and VAT appropriately accounted for*  
Yes
- *Petty cash payments supported by receipts, all petty cash expenditure approved and VAT appropriately accounted for*  
Cashbook and claims checked. VAT claimed where appropriate
- *Salaries to employees and allowances to members were paid in accordance with council approval; PAYE/NI requirements were properly applied*  
Checked. Clerk uses the standard Basic PAYE Tools software from HMRC which assesses tax and NI automatically and provides a P60. P60 checked and initialled as confirmation.
- *Asset and Investment registers complete and accurately and properly maintained*  
Register maintained correctly with original asset values and insurance cover of which the latter is index linked. Updated for year.

- *Periodic and year-end bank account reconciliations properly carried out.*  
Yes. Updated and presented to councillors at regular meetings. The reconciliation and statements are currently signed at each meeting by the chairman. I suggest that a councillor who is not a signatory to the bank account should also sign
- *Accounting statements prepared during the year were prepared on the correct accounting basis (income and expenditure), agreed to the cash book, supported by adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded.*  
Produced and correct. Explanation of Statement of Variances checked and correct.

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

Kind regards

Yours faithfully

Carolyn Holbrook