

14th May 2015

Dear John,

Internal Audit: **Trimley** St Martin Parish Council

Please find enclosed the internal audit report for the above mentioned Parish Council for the financial year ending 31st March 2015.

If you have any questions, do not hesitate to contact me.

Yours sincerely



Diane Jimpson
Finance Manager
Suffolk Association of Local Councils

President: Sir Edward Greenwell, Bart.

Invoice To

Mrs K Coutts, Trimley St Martin P C
2 Guston Gardens
Kirton
Suffolk, IP10 0PN

Invoice No 15928

Invoice Date 14/05/2015

Customer A/c No: 3091

Description	Price	VAT
Invoice for Internal audit completed for year-end 31st March 2015.	330.00	20%

Payment DUE DATE: 14/07/2015

Net 330.00

VAT 66.00

Gross 396.00

Detach

Please detach this REMITTANCE SLIP and enclose with your payment

Account Ref : 3091

Invoice No : 15928

Account Name : Mrs K Coutts, Trimley St Martin P C

Amount Paid :



Internal Audit Report
Year ending: 31st March 2015

Name of Council:	Trimley St Martin Parish Council
Income:	£ 239,165.91
Expenditure:	£ 321,100.04
Precept figure:	£ 19,000.00
General Reserve:	£40,811.00
Earmarked Reserves:	

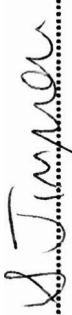
Subject	Requirements	Comments/Recommendations
1. Proper Book-keeping	Type of cash book or ledger used.	<p>Spreadsheets kept for receipts and payments.</p> <p>These have been converted to Income and Expenditure as the council's turnover has passed the £200,000 figure.</p>
	Cash book kept up to date and regularly verified against bank statement.	Reconciliations are regularly completed and balances agree with year-end figures.
	Correct arithmetic and balancing.	Selected invoices were checked to verify totals were correct. Items checked were found to be correct.

<p>2 Financial regulations, standing orders, payment controls</p>	<p>Evidence that standing orders and financial regulations have been adopted and reviewed regularly.</p>	<p>Standing orders and financial regulations were reviewed and adopted 6 May 2014.</p>
	<p>Supporting paperwork for payments, and appropriate authorisation.</p>	<p>18 payments were selected and were cross checked against cheque book, cash book, bank statement, invoice and minutes. All were found to be correctly recorded, paid and approved by council.</p> <p>It was noted that the cheque stubs and invoices are only initialled by one member (signatory) of the council.</p> <p>Recommendation: The councils financial regulations state in 5.4 that the signatories should each initial the cheque counterfoil.</p>
	<p>VAT is identified and reclaimed.</p>	<p>VAT has been reclaimed up to 31 October 2014.</p>
	<p>S137 separately recorded and minuted.</p>	<p>No payments shown.</p>
	<p>Payments of interest and principal sums in respect of loans, are paid in accordance with agreements.</p>	<p>The council entered in to an agreement with Suffolk Coastal District Council to use a draw down facility by way of a loan for £45,000 to pay VAT in respect of the Memorial Hall project, this would be repaid by the council in full by 31 March 2015. The was agreed at council meeting 2 September 2014.</p>

3. Risk management	Evidence that risks are being identified and managed.	Financial management risk assessment was reviewed and adopted 6 May 2014.
	Appropriate Insurance cover for employment, public liability and fidelity guarantee.	All were found to be in order. Fidelity guarantee cover is for £150,000.
4. Budgetary controls	Verifying that the budget has been properly prepared, and agreed.	The budget and precept were agreed at council meeting 7 January 2014.
	Regular reporting of expenditure and variances from budget.	Balances are reported at each council meeting.
5. Income controls	Monitoring of precept and any other Income.	The council received £19,000 for precept and £1,150.54 council tax support grant.
6. Petty cash/expenses procedure	Established system in place, and associated supporting documents	No petty cash is held. Expenses are paid through the councils normal payment process.
7. Payroll controls	Salary payments include deductions for PAYE/ NIC. PAYE/NIC paid promptly to HMRC.	Evidence seen to support approval of salary payments and payment of PAYE.
	Pension responsibilities.	<i>Under new regulations the council will have pension duties for its employees. Information can be found on the pension regulator website.</i>

8. Asset control	Inspection of Asset register.	Asset register seen for period ending 31 March 2015.
	Asset register reviewed annually.	Additions made during this financial year. Assets total £616,536.57.
	Cross checking of Insurance cover.	All were found to be in order.
9. Bank reconciliation	Regularly completed, reconcile with cash book.	All were found to be in order.
	Confirm bank balances agree with bank statements.	Bank balances at year end: Community account: £32,022.08 Community savings: £10,020.39 Balances agree with year-end accounts.
10. Year-end procedures	Appropriate accounting procedures used. Income/Expenditure. Receipts/Payments.	Income and Expenditure, due to turnover over £200,000.
11. Annual return	Completion of sections of Annual return.	Section 1 was completed and signed by the RFO at the time of internal audit.
		Section 4 was completed and signed by the internal auditor.
12. Review internal controls	Date review completed.	6 May 2014.
13. Recommendations from previous internal audit – 31 March 2014.		Not seen.

14. Additional comments	Annual meeting:	6 May 2014.
	Transparency code for smaller authorities:	Not applicable this financial period.
	Is the council registered with the ICO:	No. Please see enclosed LTN38 with regard to the requirement for ICO registration..

Signed

Date


On behalf of Suffolk Association of Local Councils