

**Internal Audit Report**  
**Year ending: 31<sup>st</sup> March 2015**

<b>Name of Council:</b>	Chelmondiston Parish Council
<b>Income:</b>	£ 33,356.99
<b>Expenditure:</b>	£ 26,403.22
<b>Precept figure:</b>	£ 23,951.00
<b>General Reserve:</b>	£ 37,112.00
<b>Earmarked Reserves:</b>	£ 13,993.00

Subject	Requirements	Comments/Recommendations
<b>1. Proper Book-keeping</b>	Type of cash book or ledger used.	Spreadsheets kept for receipts and payments.
	Cash book kept up to date and regularly verified against bank statement.	All were found to be in order.
	Correct arithmetic and balancing.	Spot checks were made and were found to be correct.
	<b>2. Financial regulations, standing orders, payment controls</b>	Evidence that standing orders and financial regulations have been adopted and reviewed regularly.
	Supporting paperwork for payments, and appropriate authorisation.	Random payments were selected and cross checked against cheque book, cash book, bank statement, invoice and minutes. All were found to be in order.
	VAT is identified and reclaimed.	VAT has been reclaimed for £1,534.41 up to 13 February 2015.
	S137 separately recorded and minuted.	All were found to be in order.
	Does the council use General Power of Competence.	No
	Payments of interest and principal sums in respect of loans, are paid in accordance with agreements.	Not applicable.

<b>3. Risk management</b>	Evidence that risks are being identified and managed.	The risk assessment document was reviewed at AFG meeting 24 November 2014, and full council 2 December 2014.
	Appropriate Insurance cover for employment, public liability and fidelity guarantee.	All were found to be in order. Fidelity guarantee cover is for £100,000.
<b>4. Budgetary controls</b>	Verifying that the budget has been properly prepared, and agreed.	Budget reviewed by Finance Advisory Group are then presented to full council. All were found to be in order.
	Regular reporting of expenditure and variances from budget.	A finance report detailing receipts/payments and bank balances is received at each council meeting.
<b>5. Income controls</b>	Monitoring of precept and any other Income.	The council received precept of £23,951 and council tax support grant of £1,832.25.
	Reserves:	General: £37,112.00 Earmarked: £13,993.00
<b>6. Petty cash/expenses procedure</b>	Established system in place, and associated supporting documents	No petty cash is held.
<b>7. Payroll controls</b>	Salary payments include deductions for PAYE/NIC. PAYE/NIC paid promptly to HMRC. Pension responsibilities.	Evidence was seen to support PAYE.  All were found to be in order. The council is aware of it's pension staging date.

<b>8. Asset control</b>	Inspection of Asset register.	Asset register seen for 2014-15.
	Asset register reviewed annually.	Yes, new additions for 2014.
	Cross checking of Insurance cover.	All were found to be in order.
<b>9. Bank reconciliation</b>	Regularly completed, reconcile with cash book.	All were found to be in order. Bank balances are reported at each council meeting.
	Confirm bank balances agree with bank statements.	Bank balances at year-end: Treasurer's account: £1,995.80 Business instant: £51,105.00 Cash float: £14.00
	Appropriate accounting procedures used. Receipts/Payments.	Receipts and payments. Balances agree with cash book.
<b>11. Annual return</b>	Completion of sections of Annual return.	Sections 1 and 2 were completed and signed at the time of internal audit.
		Section 4 was completed and signed by the internal auditor.
<b>12. Review internal controls</b>	Date review completed.	2 December 2014.
<b>13. Recommendations from previous internal audit – 31 March 2014.</b>		None made.

<b>14. Additional comments</b>	Annual meeting:	6 May 2014.
	Appointment of internal auditor:	Yes
	Any trustee responsibilities:	None.
	Transparency code for smaller authorities:	Not applicable.

Signed .....

Date .....

On behalf of Suffolk Association of Local Councils