

Internal Audit Report
Year ending: 31st March 2018

Name of Council:	Theberton and Eastbridge Parish Council
Income:	£8,207.72
Expenditure:	£12,421.52
Precept Figure:	£4990
General Reserve:	£2,495
Earmarked Reserves:	£1,115

Subject	Requirements	Comments/Recommendations
1. Proper Book-keeping	Type of cash book or ledger used	Computerised spreadsheet
	Cash book kept up to date and regularly verified against bank statement	The Cashbook is kept up to date and well referenced and provides an effective tool for the recording of all financial transactions which, in conjunction with the relevant supporting paperwork, provides good evidence to support the Council's underlying accounting statements.
	Correct arithmetic and balancing	Spot checks were carried out and the cashbook was found to be in order.
2. Financial Regulations & Standing Orders	Evidence that standing orders have been adopted and reviewed regularly	Standing Orders were adopted at a meeting of full Council on 14.3.18 however Council should be aware Model Standing Orders that are in bold type contain legal and statutory requirements. It is recommended that Councils adopt them without changing them or their meaning. Recommend: During the Council's annual review of its standing orders Council should bear in mind that new Model Standing Orders have been produced by NALC which take into account changes in legislation since those produced in 2013 – L04-18 Model Standing Orders refers.
	Evidence that Financial Regulations have been adopted and reviewed regularly	Financial Regulations have been adopted and reviewed on 14.3.18 Comment: During Council's annual review of its financial regulations Council should consider incorporating the changes in Procurement values for contracting and reflect the thresholds as set by Article 4 of the Public Contracts Directive (Regulation 5(1) of the 2015 Regulations) –LTN 87 refers.
	Evidence that a Responsible Financial Officer has been appointed with specific duties	The Clerk is the Responsible Financial Officer.
	Evidence that Financial Regulations have been tailored to the Council	Financial Regulations have been tailored to the Council.
3. Payment controls	Supporting paperwork for payments, and appropriate	A selection of random payments were selected and cross

5. Budgetary controls	Verifying that the budget has been properly prepared, and agreed	The Budget was agreed in full Council on 14.12.16
	Verifying that the Precept amount has been agreed in full Council and clearly minuted	The Precept in the sum of £4990 was agreed with the amount being clearly minuted in full Council on 14.12.16.
6. Income controls	Regular reporting of expenditure and variances from budget	Bank balances minuted at each meeting of Council
	Reserves held	General Reserves: £2,495 Earmarked Reserves: £1,115
	General and Earmarked.	
	Is income properly recorded and promptly banked?	Income recorded properly and presented to Council.
7. Petty Cash	Verifying that the Precept recorded agrees to the Council Tax Authority's notification	Evidence was provided showing a full audit trail from Precept being served on the Charging Authority to remittance advice showing the Precept to be paid and receipt of same in the Council's bank account.
	Is a petty cash in operation? If so is there an adequate control system in place.	No petty cash held.
8. Payroll controls	Do all employees have contracts of employment?	Contract of employment seen by the internal auditor.
	Do salary payments include deductions for PAYE/NIC?	PAYE operated in accordance with HMRC guidelines.
	Is PAYE/NIC paid promptly to HMRC	PAYE/NIC payments not applicable in the year under review.
	Is there evidence that the Council is aware of its pension responsibilities	Declaration to the Pension Regulator on 21.5.17
9. Asset control	Are other payments to employees reasonable and approved by the Council	Expenses claimed and approved by full Council with supporting paperwork.
	Verifying the Council maintains an Asset Register in	The Asset Register is maintained in accordance with proper

<p>audit for the year ending 31 March 2017</p>	<p>Verifying that appropriate action has been taken regarding recommendations raised in reports from Internal Audit</p>	<p>Standing Orders were amended in accordance with recommendation.</p>
<p>13. Recommendations from previous external audit for the year ending 31 March 2017</p>	<p>Appointment of Internal Auditor</p>	<p>Agreed at a meeting of full Council 14.3.18</p>
<p>14. Additional Comments</p>	<p>Verifying that the external audit report has been considered by the Council</p>	<p>The external audit report was presented to and accepted by the Council at its meeting of 11.10.17</p>
<p>Verifying that appropriate action has been taken regarding recommendations raised in reports from External Audit</p>	<p>Issue arising – annual return returned for amendment which was carried out – no further issues.</p>	<p>Issue arising – annual return returned for amendment which was carried out – no further issues.</p>
<p>Annual meeting</p>	<p>Annual meeting</p>	<p>Annual Parish Council meeting held on 10.5.17 with the election of the Chair being the first item on the agenda in accordance with the 1972 Act.</p>
<p>Any trustee responsibilities</p>	<p>Any trustee responsibilities</p>	<p>The Parish Council does not act as sole trustee for any Trust Fund.</p>
<p>Verifying that the Transparency Code for Smaller Authorities has been correctly applied</p>	<p>Verifying that the Transparency Code for Smaller Authorities has been correctly applied</p>	<p>Council is aware of the mandatory requirements under the Transparency Code for Smaller Authorities (2015 Regulations) to ensure certain data is published on a freely accessible website.</p>
<p>Verifying that the council is registered with the ICO</p>	<p>Verifying that the council is registered with the ICO</p>	<p>The Council is correctly registered with the Information Commissioner's Office (ICO) Registration No. ZA180051</p>
<p>Verifying that the Council is making progress towards meeting the General Data Protection Regulation requirements</p>	<p>Verifying that the Council is making progress towards meeting the General Data Protection Regulation requirements</p>	<p>Council is aware of GDPR requirements and are taking steps towards compliance.</p>

Signed..........

Date of Internal Audit Visit: 10th May, 2018

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On behalf of Suffolk Association of Local Councils