

HEELIS & LODGE

Local Council Services • Internal Audit

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Final Internal Auditor report for Haverhill Town Council - 2008/09

Annual Return Completion:

Section One: No

Section Two: No

Section Four: Yes

Proper book-keeping Cash book, regular reconciliation of books and bank statements. Supporting vouchers, invoices and receipts.
All were found to be in order. No changes since the previous interim reports.

Financial regulations Standing Orders and Financial Regulations
Tenders
Appropriate payment controls including acting within the legal framework with reference to council minutes
Identifying VAT payments and reclamation
Cheque books, paying in books and other relevant documents.

Standing Orders in place: *Yes, reviewed in May 2008.*

Financial Regulations in place: *Yes, reviewed in May 2008.*

Net VAT reclaimed during the year: £35,113.50

All were found to be in order, with all quarterly VAT returns fully completed and within required timescales.

Risk Assessment Appropriate procedures in place for the activities of the council.
Fidelity cover: £
Risk Assessment document in place: *Yes/No*
The Council operates an extensive and robust risk management strategy. The Health & Safety report produced in 2008 identified a number of actions which would enhance the existing measures and examination of this with the Town Clerk has identified that all matters requiring attention have been implemented.

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Budgetary controls Verifying the budgetary process with reference to council minutes and supporting documents.

Expenditure was cross referenced against budget. Variations in the year were all accounted for within budget reviews.

Income controls Precept and other income, including credit control mechanisms.

All were found to be in order. Daily record sheets were checked against bank statements and the purchase ledger for January, February and March 2009. Item 501063 in March recorded a £20 variation, however the system showed the necessary banking adjustment on the sheets, thus providing a clear audit trail.

Petty Cash

Associated books and established system in place.

All were found to be in order with appropriate receipts and all clearly reconciled.

Payroll controls

PAYE and NIC in place where necessary
Compliance with HM Revenue & Customs procedures
Records relating to contracts of employment.

All were found to be in order. Payroll transfers were cross referenced against the invoice folder and payroll records.

Asset control

Inspection of asset register and checks on existence of assets
Cross checking on insurance cover

All were found to be in order with regular adjustments as required. The most recent valuation was undertaken in 2005. Items clearly shown as the property of either the Town Council or the Charity.

Bank Reconciliation Regularly completed and cash books reconcile with bank statements.

All were found to be in order with regular monthly reconciliations undertaken.

Year-end procedures Appropriate accounting procedures are used and can be followed through from working papers to final documents

Verifying sample payments and income

Checking creditors and debtors where appropriate.

All were found to be in order.

Internal audit and internal control procedures

Review of the effectiveness of internal audit procedures

The Council has adequate arrangements in place for the reviews of the effectiveness of the internal audit process and the internal control process.

Trust Funds

The Council has met its responsibilities as trustee of Charity No.288092.

Additional comments

Thanks are extended to Gordon and Neil for their assistance during the course of the audit work.

L. Lodge

Lynne Lodge
Heelis & Lodge
20 June 2009