

HEELIS&LODGE

Local Council Services • Internal Audit

Year End Internal Audit Report for Harwich Town Council – 2017/18

The following Internal Audit was carried out on the adequacy of systems of control and should be read in conjunction with the Interim Internal Audit report dated 21/11/2017. The following recommendations/comments have been made:

Income: £311,525 Expenditure: £389,355 Reserves: £174,946

AGAR Completion:

Section One: **No**

Section Two: **Yes – to be approved**

Annual Internal Audit Report 2017/18: **Yes**

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

Precept: £185,981 (2018-2019) Date: 12/12/2017 (Ref: 116/17)

Good budgetary procedures are in place. The precept was agreed in full council and the precept decision and amount has been clearly minuted. The Clerk ensures the council are aware of responsibilities, commitments, forward planning and the need for adequate reserves. Budget papers are prepared to ensure councillors have sufficient information to make informed decisions. Budgets are monitored during the year.

Payroll controls PAYE and NIC in place where necessary.
Compliance with Inland Revenue procedures
Records relating to contracts of employment

PAYE System in place: **Yes**

Payroll is outsourced and RTI in place. HMRC payments have been made throughout the year and the Council have provided pensions to eligible staff.

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

A separate asset register is in place. Values are recorded at cost value. The total value of assets are recorded at £1,636,154.39 which corresponds with the value entered in Section 2, Box 9 of the AGAR.

Contact details : 52 Parkway, Wickham Market, Suffolk, IP13 0SS

Tel: 07732 681125

Email: heather@heelis.eu

Heather Heelis Dip HE Local Policy PILCM

Lynne Lodge Dip HE Local Policy

It is noted that the asset register has undergone a review and contains a comprehensive breakdown of assets, their values and purchase dates.

Bank Reconciliation Regularly completed and cash books reconcile with bank statements

All were in order. The bank statements reconciled with the end of year accounts and bank reconciliations for all accounts.

Balances at the bank at 31/3/2018 were recorded as:

<i>Barclays Current 1</i>	<i>£3,000.00</i>
<i>Barclays Current 2</i>	<i>£2,739.42</i>
<i>Barclays Active Saver</i>	<i>£122,053.86</i>

Reserves General Reserves are reasonable for the activities of the Council
Earmarked Reserves are identified

The Council have adequate general reserves and have identified earmarked reserves in their year end accounts.

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.

End of year accounts are prepared on an Income & Expenditure Basis. Creditors and Debtors are identified.

Internal Audit Procedures

The 2017-2018 Interim Internal Audit report was considered by the Council at a meeting held on 12/12/2017 (Ref: 114/17).

Additional Comments/Recommendations

- There are no additional comments/recommendations to make in relation to this audit.
- I would like to record my appreciation to the Clerk to the Council for her assistance during the course of the audit work and take this opportunity to congratulate the Council on their commitment to improving the quality of life of the people of Harwich.



Heather Heelis
Heelis & Lodge
21 May 2018

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Tel: 07732 681125
Email: heather@heelis.eu

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