

Section one - Follow up on prior year recommendations

Agreed upon procedures

Follow up the Trust's implementation of recommendations (selected by the Council) made in prior years.

Recommendation	Mazars finding	Implemented?	Trust response
1. The Trust should ensure that governance arrangements are in place and operating in respect of:			
1a) Fully agreeing and documenting the roles and responsibilities for directors, staff and Board sub-committees and removing references to redundant roles. P2 [Reported in April 2015 as being implemented]	The Trust has provided a document that outlines the roles and responsibilities of directors, staff and board sub-committees.	Implemented	
1b) Its current management and governance structure reflecting what is set out in the Trust's Financial Standing Orders (FSO) and where there are discrepancies, appropriate changes made. P2 [Reported in April 2015 as being partially implemented]	The Financial Management Policy (FMP) dated January 2014 is consistent with management and governance structure.	Implemented	
2. The Trust should appoint a different firm to be its external auditor from that carrying out its financial affairs. P2 [Reported in April 2015 as being implemented]	The firm who performed an independent examination on the Trust's accounts also carries out its financial affairs.	Not implemented	
3. The Trust should use the Charity Commission's Funding and Finance Internal Financial Controls for Charities guidance to check its internal	The Trust has indicated that it can do this but it has not yet been done.	Not implemented	

financial controls that would be expected in the areas of income, purchases and payments and assets and investments.

[Not covered in April 2015]

4. The Trust should provide its Health and Safety policy to the Council once it is finalised.

[Not covered in April 2015]

The Trust has provided its Health and Safety policy.

Implemented

5. The Trust should provide details of training and information provided to staff in respect of its policies and procedures, particular, its FSOs. [Not covered in April 2015]

The Trust has provided details of the training provided to staff and board members.

Implemented

6. The Trust should complete monthly bank reconciliations in line with its FSO and consider when the first reconciliation should be completed. P2

[Reported in April 2015 as not being implemented]

The Trust has not completed monthly bank reconciliations. The Trust does not operate a cash book and all transactions go through the bank account.

Not implemented

7. The Trust should provide a summary of the comparison between budget and actual, at least annually to the Council to allow it to assess the value for money considerations. P2

[Reported in April 2015 as not being implemented]

The Trust has provided a comparison of budgeted expenditure to actual with reference to specific items of expenditure.

The Trust does not carry out a formal comparison of budgeted and actual income.

Partially implemented

8. In respect of procurement and the procurement policy the Trust should:

8a) Demonstrate that its procurement policy is consistent with the FSOs and compliant with the Charity Commission requirements.

The procurement policy is generally consistent with the FMP. The Trust has not reviewed compliance with the Charity

Partially implemented

[Not covered in April 2015]	Commission requirements.	
8b) Provide a copy of the policy together with documentary evidence for the operating effectiveness of the procurement controls, such as minutes. [Not covered in April 2015]	The Trust has provided a copy of the procurement policy and evidence of the Finance Sub-Committee following the policy.	Implemented
8c) Clarify whether the Board of Directors have approved a list of suppliers. [Not covered in April 2015]	The Trust uses a preferred list of suppliers based on advice they received from the Head of Internal Audit at the Council.	Implemented
8d) Clarify the role of the Finance Sub-Committee and demonstrate that the Finance Sub-Committee has the pre-requisite skills and knowledge to carry out its procurement activities to the satisfaction of the Council. [Reported in April 2015 as being partially implemented] P1	The Trust has provided evidence of training delivered to the Finance Sub-Committee members on carrying out procurement activities.	Implemented
9. The Trust should maintain a register of directors' interests and a detailed list of related parties to avoid perceived conflicts of interest. The Council will obtain an understanding of the authorisation procedures in place at the Trust around entering into related party transactions. P2 [Reported in April 2015 as being implemented]	The Trust requires all members to complete a declaration on appointment, sign a consent form for trusteeship of BMCT, acceptance of the responsibilities of trustees and signing up to a Code of conduct for BMCT.	Implemented
10. The Trust should review the monthly rental payment to RIP, whether the amount is at a market rate and represents value for money to the Trust.	The Trust has provided information to demonstrate that it is paying below market rate.	Implemented

[Not covered in April 2015]

11. In respect of the Trade Fair the Trust should:

11a) Ensure arrangements are in line with the contract for the provision of the Mela.

[Not covered in April 2015]

The Trust has not compared the arrangements they have to deliver the Mela with the requirements of the contract.

Not implemented

11b) Ensure that it has robust plans in place for implementing procedures for 'auditing' the net income of the Trade Fair to ensure that the agreed profit share is based on accounting records and the Trust receives the amounts contractually owed to it.

[Not covered in April 2015]

The Trust's procedures for income from trade fair is based on signing up vendors and sponsors before the event based on a set level of charges. There are no profit share arrangements.

Implemented

12. The Trust should review its contract approval thresholds considering the budgeted spend with each supplier.

[Reported in April 2015 as being partially implemented] P1

The Trust's FMP includes thresholds for when funding proposals must involve the Chair, Finance Sub-Committee and the Board. The procurement policy does not specify any thresholds for contracts.

Partially implemented