

Internal Audit Report

(to be read in conjunction with Section 4 of the Annual Return)

Name of council:	Great Addington Parish Council		
Name of Internal Auditor:	J Hodgson	Date of report:	02/06/17
Year ending:	31 March 2017	Date audit carried out:	31/05/17

Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the staff and management and not left for internal audit.

The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.

To the Chairman of the Council:

I examined the book keeping, due process, risk assessment, asset control, bank reconciliations and year end processes. Over all I found everything to be satisfactory although there were a couple of areas of note.

The changes to the audit arrangements for the year ending March 2018 means that all councils under the £25,000.00 threshold must ensure that they comply with the Transparency Code. Whilst a council under the £25,000.00 threshold will not routinely be called to external audit, an external auditor will still be appointed and members of the public have the right make representations if they have concerns.

To minimise the associated risks, the Council should ensure all the requisite information is published in an easily accessible format. The 'Transparency code for smaller authorities' produced by the Department for Communities & Local Government is a useful document that clearly sets out the requirements.

I would recommend that the Council's website has a page that explains its responsibilities under the code and where the requisite information can be found on the site.

I note that the annual meeting agenda items list's the appointment of the RFO. I would suggest that the Clerk's contract of employment is amended to Clerk and Responsible Financial Officer to remove the need for this agenda item.

I would like to thank Helen for her assistance during the audit.

This report is based on the evidence made available to me. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council in order to detect error or fraud. Consequently the report is limited to those matters set out above.

Yours sincerely,

Ms Jenny Hodgson MICLM
Internal Auditor to the Council
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The figures submitted in the Annual Return are:

	Year ending 31 March 2016	Year ending 31 March 2017
1. Balances brought forward	10649	13833
2. Annual precept	8614	8614
3. Total other receipts	2208	9129
4. Staff costs	1916	1942
5. Loan interest/capital repayments	0	0
6. Total other payments	5722	12480
7. Balances carried forward	13833	17154
8. Total cash and investments	13833	17154
9. Total fixed assets and long term assets	32614	32611
10. Total borrowings	0	0

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2017)*. It is a guide to the accounting practices to be followed by local councils, and sets out the appropriate standard of financial reporting to be followed. A copy of the guide is available for free download from:

<http://www.northantscalc.com/uploads/practitioners-guide-2017.pdf>