

Internal Audit Report

(to be read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return)

Name of council:	Staverton Parish Council		
Name of Internal Auditor:	Jim Goodger	Date of report:	3 May 2018
Year ending:	31 March 2018	Date audit carried out:	3 May 2018

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:

At the end of my visit I was able confirm that all matters examined were in order and I was able to sign Section 4 of the Annual Return. For your information I attach a copy of my audit trail.

We agreed last year that the Asset Register needed to include a column indicating whether or not the individual asset was insured as well as its market value and purchase price. The sum of all the purchase prices is the value to be entered on the Annual Return. Whist this was reported to the Council – May 2016 minute 6.11 - it is still not evident in the Asset Register displayed on the website.

Councillors may care to note that the level of their General Reserves has fallen below the recommended level and consideration might be given to address this when setting the future budget.

There were instances when the initial agreement for expenditure was not evident in the minutes. An example is lack of evidence in the prior minutes for the order of the traffic survey subsequently approved for payment in the February 2018 meeting.

Following advice from NCALC, Councillors might consider the use of Parish Council e-mail addresses which allows them to separate personal and council matters. This is advisable for personal security reasons.

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.

I would like to thank your Clerk for making all the information available and her help and hospitality during the visit.

Yours sincerely,

Jim Goodger

Jim Goodger BSc(Eng) C Eng FIET CDipAF
Internal Auditor to the Council
01788 822723
cjgoodger@theiet.org

The figures submitted in the Annual Governance and Accountability Return are:

	Year ending 31 March 2017	Year ending 31 March 2018
1. Balances brought forward	4374	10013
2. Annual precept	10150	10455
3. Total other receipts	17728	15041
4. Staff costs	2775	2611
5. Loan interest/capital repayments	0	0
6. Total other payments	19464	28866
7. Balances carried forward	10013	4032
8. Total cash and investments	10013	4032
9. Total fixed assets and long term assets	113193	113193
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>