

Internal Audit Report

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

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|---------------------------|----------------------|-------------------------|----------|
| Name of council: | Upton Parish Council | | |
| Name of Internal Auditor: | Mrs TL Charteress | Date of report: | 30.05.18 |
| Year ending: | 31 March 2018 | Date audit carried out: | 30.05.18 |

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

Thank you very much for supplying me with the necessary documents to enable me to conduct the Internal Audit for Upton Parish Council; I would also thank the Clerk for meeting me to discuss the audit in full

I examined Book Keeping, Due Process, Risk Management, Budget, Payroll, Asset Control, Bank Reconciliations, Internal Control & Year End Procedures. I also sought evidence that Audit reports from the previous years had been actioned, and that Parish Council records are being safely backed up.

I am pleased to advise you that I found all satisfactory. Last years report had a number of comments which required attention and I am very pleased to note the Council has made the necessary changes. I would draw your attention to the following comments:

- Despite raising the matter last year and the year before, the Parish Council website is still not up to date. I tested several agendas & minutes and found many to be missing. It appears the Council is paying monthly for the site to be updated and I would suggest the Council investigate the matter
- Item reference 17/202 contains a decision made by the Parish Council to donate £1000 to the Royal British Legion under Section 137. I would ask the Council to consider whether this payment meets the criteria set for Section 137 of the Local Government Act 1972

The Parish Council has taken a notable turn for the better following my audits of the last two years, many new policies and processes have been agreed; I note excellent regular reporting of finances

and a list of projects to sustain the reserves. I look forward to returning next year and wish the Council a successful 2018/2019.

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,

Mrs TL Charteress CiLCA
Internal Auditor to the Council
tcharteress@gmail.com

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 | 54,008 | 62,301 |
| 2. Annual precept | 32,400 | 32,400 |
| 3. Total other receipts | 3,139 | 440 |
| 4. Staff costs | 6,987 | 14,951 |
| 5. Loan interest/capital repayments | 0 | 0 |
| 6. Total other payments | 20,259 | 18,245 |
| 7. Balances carried forward | 62,301 | 61,945 |
| 8. Total cash and investments | 62,301 | 61,945 |
| 9. Total fixed assets and long term assets | 7,484 | 8,065 |
| 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 (2018)*. 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-2018.pdf>