

Northants CALC
Internal Audit Report – Interim report
(to be read in conjunction with Section 4 of the Annual Return)

Name of council:	Croughton Parish Council		
Name of Internal Auditor:	Dianne Isaacs	Date of Report	18/05/2017
Year ending:	31/03/17	Date audit carried out:	17/ 05/2017

*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.

Ann Le Druillenec is the Clerk and R.F.O. to the Council
Cllr P Forbes was elected as Chairman of the Parish Council at the Annual meeting of the Council in May
Cllr C Fox was elected as the Vice Chairman of the Council at the Council meeting on 12th September, 2016

Councillors:- 9

Matters arising from B.D.O. Audit 2015/16 Financial year

There were no matters that came to the attention of the Auditor that required issuing a separate report. The report was presented to the Council and minuted at the September meeting .

The completion of Audit Notice was published on the Council's web site

Matters arising from Interim audit 23.11.2016

There were no matters arising from the report.

The Council has reviewed the effectiveness of their Internal Audit system and will continue with Ncalc to provide this service.

Evidence of Internal control

Internal control forms part of the Council's risk management procedure

Internal control measures are carried out quarterly by Cllr Fox.

There were no outstanding issues arising from the end of year internal control report of 19th April 2017.

Transparency Code

The Parish Council is fully compliant with the Code through the information provided on the Council's web-site.

Data protection

The Council renewed their Data Protection with I.CO in February 2017 at a cost of £35.00.

General power of Competence

The Council has adopted the General power of competence and no longer uses Section 137 for payments.

Risk Management

The Council has reviewed their Risk Management plan and has a very comprehensive policy in place to identify and manage any risks.

Financial regulations and Standing orders

The Council has adopted Standing orders and Financial regulations pertinent to their Council business.

Council's assets

The Clerk has consulted Ncalc and BDO External audit in relation to the Village Hall and fittings and fixtures. The Council has now placed the village hall on the asset register with a nominal value of £1.

The 2015/16 value of fixed assets has been re-instated from £920,177 to £ 85,366 in the Annual return.

Total value of fixed assets recorded in the Annual return Section2 (9) for 2016/17 financial year is £87,308.

Cemetery Fees

Cemetery fees total **£385** to 31/03.2017 and this figure is recorded correctly in the Receipts and Payments account.

Allotments

Total allotment fees of **£837.30** are recorded correctly in the Receipts ledger

V.A.T

V.A.T. has been identified and claimed from H.M.R.C. on expenditure items.

Annual Council Precept

The Council has set a precept of **£19,260** in line with its budget proposals.

The precept has been correctly recorded in the Receipts and Payments account and in the Annual return Section 2 (2) .

Insurance

The Council agreed their yearly insurance cover in May 2016 at an annual premium **£494.06**

Payroll

The Clerk is the sole employee of the Parish Council.

The Clerks salary has been agreed by the Council and recorded correctly in the Receipts and Payment Account.

Total staff costs for the year £5,050 are recorded in the Annual Return Section 2 (4)

Council minutes of meetings

The Council meet every month to conduct the business of the Council.

The minutes of Council meetings have been agreed by the Council, signed by the Chairman and numbered.

I checked the minutes of Council meetings to date and there were no unusual activities .

It is very useful to have access to the minutes on the Council's the web-site.

Year end procedures

I carried out an audit trail on selected income and expenditure transactions. Payments were supported by invoices, agreed by the Council and minuted.

The Clerk has prepared the accounts on the correct procedure – Receipts and Payments.

There are no unexplained balancing entries between the ledger and bank accounts at 31.03.2017

ANNUAL RETURN

The Annual Return Section 1 and 2 was agreed by the Council at their May meeting and signed by the Chairman and the Clerk.

The total cash and investments at 31.03.2017 is £24,396 and this figures balances with the Accounts ledger.

The Clerk has explained significant variances to the External Auditor

In line with current audit regulations the Annual return was completed by 30th June 2017 and the Council has achieved its control objectives for the year.

I have therefore signed Section 4 of the Annual Return accordingly.

The figures submitted in the Annual Return are:

	Year ending 31 March 2016	Year ending 31 March 2017
1. Balances brought forward	21073	22981
2. Annual precept	17187	19260
3. Total other receipts	5231	4412
4. Staff costs	4802	5050
5. Loan interest/capital repayments	Nil	Nil
6. Total other payments	15708	17207
7. Balances carried forward	22981	24396
8. Total cash and investments	22981	24396
9. Total fixed assets and long term assets	85366 re-stated	87308
10. Total borrowings	Nil	Nil

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Local Councils – A Practitioners' Guide (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.gov.uk/?p=253>

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