

Annual Internal Audit Report

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

Name of council:	Moreton Pinkney Parish Council		
Name of Internal Auditor:	Dr TJ Waterfield	Date of report:	6 th June 2016
Year ending:	31 March 2016	Date audit carried out:	6 th June 2016

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:

The current clerk Gary Denby has been in-post for 12 months yet the council has still not completed the necessary Bank Mandate form(s) to effect a change in contact address [to the new clerk] or given the necessary instructions to the bank to permit the clerk to discuss with the bank any issues that might arise regarding the council's accounts.

It was noted that during the period of audit the council had felled some trees on some 'community' green space yet the council's asset register does record that the council has any such spaces. The council should check that such areas fall within their bailiwick and if necessary ensure that the same are registered in their name.

In addition to street lamps, the council's asset register includes a number of seats, two wells and a bus shelter. None of these items are explicitly mentioned in the council's schedule of risk assessment nor, more importantly, has it identified any earmarked reserves for their upkeep/maintenance. Yet it is understood that the council agreed to pay for a new lamp to replace one damaged by a motor vehicle out of funds rather than claim on its insurance.

The council are reminded that after electing a new chairman, the chairman should sign the Acceptance of Office form – even if the previous chairman has been re-elected. Whilst it is not uncommon for the Annual Parish Meeting and the Council's Annual General Meeting to be held on the same evening, the council is reminded that they are two separate and distinct meetings with each having its own separate set of minutes.

It was noted that one issue raised at the previous audit has still to be dealt with, namely amending Standing Orders to take account of the 'Openness' requirements dealing with recording and broadcasting, etc of meetings. These requirements also include the publication of minutes and reports on its website.

Finally the auditor would like to thank the Clerk for his hospitality 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,

Dr. TJ Waterfield
Internal Auditor to the Council
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The figures submitted in the Annual Return are:

	Year ending 31 March 2015	Year ending 31 March 2016
1. Balances brought forward	4,254	5,413
2. Annual precept	6,000	6,180
3. Total other receipts	19,110	378
4. Staff costs	1,603	2,088
5. Loan interest/capital repayments	0	0
6. Total other payments	22,348	5,117
7. Balances carried forward	5,413	4,766
8. Total cash and investments	5,413	4,766
9. Total fixed assets and long term assets	18,109	18,098
10. Total borrowings	0	0

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Local Councils – A Practitioners’ Guide (England) (2014)*. 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-v12jun14.pdf>