

Internal Audit Report

(to be read in conjunction with Annual Internal Audit Report in the AGAR)

Name of council:	Thorpe Malsor Parish Council		
Name of Internal Auditor:	Julia Tufnail	Date of report:	27.4.18
Year ending:	31 March 2018	Date audit carried out:	27.4.18

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:

I met with your Clerk, Mrs Anne Marie Walton-Millar, this afternoon to carry out the Internal Audit and would again like to thank Anne Marie for her time and assistance. I have suggested that she attends the Risk Assessment training at NCALC as she will find it extremely helpful in carrying out the Risk Assessment for the Council.

Appointment – As I reported last year, the Council is an employer and must, therefore, register with HMRC as an employer and pay the Clerk as expected reporting to HMRC as necessary. Anne Marie has confirmed that she has a draft contract in hand and will register the Council with HMRC.

Book Keeping is in order but the Council has no internal controls in place, we have talked about this and appropriate measures are to be put in place. The Council needs to identify the powers by which it is making payments. I carried out a transaction spot check which I found to be in order. I have suggested that the Council purchases “Parish Councillor’s Guide by Paul Claydon” as an excellent reference book.

Due Process – New Standing Orders have been adopted and the Council should contact NCALC for the template Financial Regulations to put in place.

Risk Management – There is no Risk Assessment in place. NCALC run good Risk Assessment training which would be very useful.

The Council has made good progress from last year and am sure that this progress will continue in the future.

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.

Julia Tufnail

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 NCALC Internal Auditor to the Council
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The figures submitted in the Annual Return are:

	Year ending 31 March 2017	Year ending 31 March 2018
1. Balances brought forward	2178	3481
2. Annual precept	2000	2000
3. Total other receipts	338	1600
4. Staff costs	274	556
5. Loan interest/capital repayments	0	0
6. Total other payments	761	2833
7. Balances carried forward	3481	3692
8. Total cash and investments	3481	3692
9. Total fixed assets and long term assets	20940	22152
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>