

# Internal Audit Report

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

Name of council:	Newnham Parish Council		
Name of Internal Auditor:	Josie Flavell	Date of report:	21 May 2019
Year ending:	31 March 2019	Date audit carried out:	20 May 2019

*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 Marion Money, Clerk and RFO and Jim Simpson, Internal Control Councillor on 20th May to carry out the year-end audit of the Council; I would take this opportunity to thank Marion and Jim for their time and assistance.

During the course of the audit, I examined the Council's arrangements for the management and control of its business in the areas of book keeping, internal control (to ensure compliance with the proper practices as set out in the Practitioners' Guide), risk management, budget setting and monitoring, year-end procedures, employment procedures, asset register, bank reconciliations and including, but not limited to, examination of the minute book and council website.

Due to an extremely satisfactory audit, I was able confirm that all matters examined were in order and I was able to authorise Section 4 of the Annual Return.

During what was a challenging year, the Clerk has managed to make some of the necessary improvements as outlined in the 2017-18 Internal Audit report however, the website would benefit from some extra work with the display of the 2018-19 Annual Governance Statement along with the year-end Accounting Statement, including policies and procedures.

I noted that the General Reserves and Allocated Reserves issue has now been rectified but consideration to show these within the budget setting process and document for next year, should be given.

During the year, the Council had not carried out an annual appraisal of the Clerk's performance as suggested during the last audit however this is now being rectified and is to be completed in due course.

It is apparent that Council, with their competent and diligent Clerk, will continue to make the necessary improvements and will make an effective team going forward.

This report is based on the evidence made available to me on either the Council's website or in hardcopy. 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.

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

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Josie Flavell', written in a cursive style.

**Josie Flavell** CiLCA  
Internal Auditor to the Council  
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The figures submitted in the Annual Governance and Accountability Return are:

	Year ending 31 March 2018	Year ending 31 March 2019
1. Balances brought forward	33831	36163
2. Annual precept	28336	26326
3. Total other receipts	3712	8288
4. Staff costs	3966	4370
5. Loan interest/capital repayments	0	0
6. Total other payments	25750	42557
7. Balances carried forward	36163	23850
8. Total cash and investments	36163	23850
9. Total fixed assets and long term assets	33917	33917
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>