

Internal Audit Report

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

Name of council:	Farthinghoe Parish Council		
Name of Internal Auditor:	Lynn Lavender	Date of report:	26 th May
Year ending:	31 March 2017	Date audit carried out:	29 th May

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 carried out the year-end audit of Farthinghoe Council on 26th May 2017. I would take this opportunity to thank Philippa Clayton , the Parish Clerk for her help and assistance.

Prior to the visit I reviewed the information available on www.farthinghoeparishcouncil.org I was able to access a well ordered set of documents and records. By examination of these documents & records plus further questioning during the visit, I tested aspects of the Council's internal controls as required at Section 4 of the Annual Return and notwithstanding the items noted below, I am satisfied that effective policies and procedures together with systems to manage, monitor and control the Council's business are in place. .

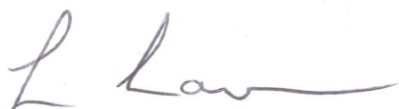
Noted this visit

- Changing the name of the Parish Council requires a formal process. I recommend advice is sought from Ncalc as a matter of urgency.
- The risk assessment must be reviewed annually. A document exists but it has not been reviewed in the last financial year and therefore I have marked No on the annual return.
- The budget should be approved and amounts minuted prior to setting the precept
- Reports from the Internal and external Auditor to be minuted and published on website.
- Policies to be published on website eg Standing Orders, Financial regs etc
- Take care re data protection when publishing communications/emails
- Items for report only should not result in a resolution and action. These items should be detailed on the agenda for decision.

- An annual review of the Clerks terms and conditions to be undertaken
- Councillors may benefit from development opportunities offered by Ncalc

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,



Ms Lynn Lavender
Internal Auditor to the Council
Lynnlavender_5@hotmail.com

The figures submitted in the Annual Return are:

	Year ending 31 March 2016	Year ending 31 March 2017
1. Balances brought forward	3405	6971
2. Annual precept	6500	7150
3. Total other receipts	32835	1222
4. Staff costs	1400	1400
5. Loan interest/capital repayments	-	-
6. Total other payments	34369	5825
7. Balances carried forward	6971	8118
8. Total cash and investments	6971	8118
9. Total fixed assets and long term assets	43392	43392
10. Total borrowings	-	-

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>