

Annual Internal Audit Report 2017/18

BILLING PARISH COUNCIL

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation **during** the financial year ended 31 March 2018.

The internal audit for 2017/18 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			NO PETTY CASH
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. (For local councils only)			
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

13/14 APRIL 2018

Name of person who carried out the internal audit

Mr D J LINNELL PSUC

Signature of person who carried out the internal audit

David Linnell

Date 14 APRIL 2018

**NORTHANTS CALC LTD
INTERNAL AUDIT SERVICE**

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Internal Audit Report

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

Name of council:	Billing Parish Council		
Name of Internal Auditor:	Mr D J Linnell PSLCC	Date of report:	14 April 2018
Year ending:	31 March 2018	Date audit carried out:	13/14 April 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.

Mrs S Harris, Clerk to Billing Parish Council
23 Elwes Way
Great Billing
Northampton NN3 9EA

Dear Mrs Harris,

I have now completed your Internal Audit for the Financial Year 2016/17 and I am pleased to report that there are no issues arising from my 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 any matters set out above.

You should also arrange to carry out early in the year a review of Internal Audit, Internal Controls and the Risk Assessment. Additionally you will be aware that you are required to comply with new Data Protection legislation as to storage and use, May I thank you for the completeness of all the information supplied to enable me to carry out my audit,

Yours sincerely,



David J Linnell PSLCC
Internal Auditor
01604-469962
Dvd.linnl2@gmail.com

The figures submitted in the Annual Return are:

	Year ending 31 March 2017	Year ending 31 March 2018
1. Balances brought forward	138241	144628
2. Annual precept	147164	152314
3. Total other receipts	33434	38068
4. Staff costs	52837	59323
5. Loan interest/capital repayments	10340	NIL
6. Total other payments	111034	112960
7. Balances carried forward	144628	162727
8. Total cash and investments	144628	162727
9. Total fixed assets and long term assets	243328	255457
10. Total borrowings	NIL	NIL

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2018)*. 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-2018.pdf>