

Internal Audit Report

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

Name of council:	Lutton Parish Council		
Name of Internal Auditor:	J Hodgson	Date of report:	29/04/18
Year ending:	31 March 2018	Date audit carried out:	28/04/18

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 examined the book keeping, due process, risk assessment, asset control, bank reconciliations and year end processes. Over all I found everything to be satisfactory although there are a couple of matters I would like to offer some advice on.

Councils are legally obliged to set a budget before determining the level of the Precept. Whilst it was quite clear from the Minutes and my discussion with Mrs Evans that the Council had been considering its forthcoming financial obligations with the new open area, the Minutes do not clearly demonstrate that a budget has been set and that this budget has been used to set the level of the Precept. On occasions a Council may be asked to 'prove' that it has followed the correct legal procedures and the Minutes are the only way to do this.

With the new open area comes the responsibility of risk assessments. The Council must ensure that on an annual basis, as a minimum, the Council undertakes a risk assessment of the open area. The Minutes should include a record of the risk assessment review. This will enable the Council to 'prove' that it has taken place. There is a lot of guidance to found online about risk assessments, and the key is to find a template that best suits your needs and to adapt it accordingly.

I understand that the Council is looking at signage for the open area. I have found it useful to refer to the RoSPA website in the past.

<https://www.rospace.com/play-safety/advice/signs/>

I would like to thank Mrs Evans for her assistance 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.