

## Internal Audit Report

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

Name of council:	Burbage Parish Council		
Name of Internal Auditor:	Ashok Kataria	Date of report:	11 May 2019
Year ending:	31 March 2019	Date audit carried out:	25 April 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 Hazel Thomasson (Principal Officer) and Juliet Perry (RFO) on 25 April 2019 to carry out the internal audit of the Council. I would take this opportunity to thank both for their time and assistance.

In previous year, both Internal & External Auditor had not raised any matters.

I identified following matters for consideration

- Although website has extensive documents, following additional information is required by The Local Government Transparency Code 2015

Procurement information

List of all land and building assets

Grants awarded by the Council

Organisation Chart

- The evidence of review of Risk Register is recommended to demonstrate Council has met the obligations as per Financial Regulations (Para. 16)
- Although Council meeting shows discussion and approval of the Budget & Precept the budget figure was not specified in the Minutes. To assist recommend reference to page 16 of “The good councillors guide to Finance and Transparency.
- The procedure for orders of works, goods & services can be strengthened by following provisions of Financial Regulations (Para. 10). In particular formal orders are not always raised and not registered.
- Although the RFO processes the Invoices for Payments, evidence of the authorisation in accordance with The Financial Regulations (para. 6.2 to 6.4) will demonstrate that controls are in place.
- I noted Bank Reconciliations are performed regularly and am advised presented to Council. However evidence of approval of the Reconciliation and confirmation of sight of Bank Statement by Chair of Finance is good recommended practice (Refer to JPAG guide –Mar 18 Para. 5.21 to 5.25)
- I note that numbers of policy documents were reviewed but some were postponed due to change in staffing and recommend revisiting this. To assist I would recommend reference to LRALC website.

Notwithstanding these comments, I am satisfied that effective systems to manage, monitor and control the Council’s business are in place and By examination of hard evidence and questioning, I tested all the Internal Control Objectives that I am required to consider and I am satisfied that in all significant respects, the objectives have been met. To that end, I have completed the Internal Audit Report at page 3 of the Annual Governance and Accountability Return.

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.

Yours faithfully,

*A. Kataria*

Ashok Kataria  
 For & on behalf of LRALC Internal Audit Service  
[akataria@hotmail.co.uk](mailto:akataria@hotmail.co.uk)  
 Tel. 07582024923

The figures submitted in the Annual Governance and Accountability Return is:

	<b>Year ending 31 March 2018</b>	<b>Year ending 31 March 2019</b>
1. Balances brought forward	404772	489049
2. Annual precept	383510	401027
3. Total other receipts	84346	243231
4. Staff costs	198654	192261
5. Loan interest/capital repayments	0	0
6. Total other payments	184925	445576
7. Balances carried forward	489049	495470
8. Total cash and investments	480002	447991
9. Total fixed assets and long term assets	1340837	1397791
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 (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.leicestershireandrutlandalc.gov.uk/uploads/governance-and-accountability-for-smaller-authorities-in-england-2018-sections-1-5-1.pdf>