

ANNUAL REPORT OF THEN INTERNAL AUDITOR **TO CHARLEY PARISH COUNCIL 2015-2016**

I have undertaken an external audit of Charley Parish Council for the year ended 31st March 2016. My role as an internal auditor is to assist the Council in fulfilling its responsibility for the prevention and detection of fraud, corruption, errors and mistakes. This is achieved by ensuring that proper systems and financial controls are in place to fulfil this objective.

I have carried out all the tests which have been suggested by the Audit Commission and have completed the Annual Return. There are 11 control objectives laid down in Section 4 of the Audit Commission's Annual Return. The internal auditor has to give an opinion as to whether in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Council. There are no issues to which I need to draw your attention.

However, I have arranged with your Clerk for me to be provided with Bank Reconciliations during the course of the year to enable me to verify that the accounting records are being kept up to date. I also recommend that these continue to be submitted to the Council.

Section 1 of the Annual Return is the Annual Governance Statement which the Council as a whole is responsible for completing. The external auditor can ask for additional documentary evidence to verify that any or all of the assertions made on the statement can be substantiated. I would therefore recommend that all members of the Council familiarise themselves with the requirements of Section 1 of the Annual Return particularly in respect of financial risk management.

The section is often completed after the Internal Auditor has completed his/her part and therefore no way of knowing whether this section has been completed in an accurate manner. This is not the case in Charley's return.

Finally I would like to thank your Clerk and RFO, Brian Duncombe, for the help and assistance provided in carrying out this audit.

Ian Fraser CPFA

17th May 2016

