

**ANNUAL REPORT OF THE INTERNAL AUDITOR TO  
CHARLEY PARISH COUNCIL 2016 - 2017**

I have undertaken an internal audit of Charley Parish Council for the year ended 31<sup>st</sup> March 2017. My role as internal auditor is to assist the council in fulfilling its responsibility for the prevention and detection of fraud and 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 section 4 of 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 draw your attention.

However I have again 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.

**General Comment**

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 all members of the council to familiarise themselves with the requirements of section 1 of the Annual Return particularly in respect of financial risk management.

This section is often completed after the internal auditor has completed his/her part and therefore has no way of knowing whether this section has been completed in an accurate manner. Nor does it form part of the role of the internal auditor to verify its accuracy.

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

Ian Fraser CPFA  
16<sup>th</sup> May 2017