

## Internal Audit Report

Name of council:	Higham Ferrers Town Council		
Name of Internal Auditor:	John Marshall	Date of report:	26.02.2018
Year ending:	31 March 2018	Date audit carried out:	22.02.2018

*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. It is important to note that managing the council's internal controls is a day-to-day function of the council through its staff and councillors and 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. This report is based on the evidence made available to me and consequently the report is limited to those matters set out below.*

**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 carried out an in-year audit of Higham Ferrers Town Council on 22 February when I met with the Clerk, Sandra Mitcham to whom thanks are due for her time and assistance. Neither BDO as External Auditor nor I identified any audit issues arising from last year's audit. It is apparent that the Council continues to operate and exhibit high standards of compliance, governance and service delivery.

To that end, I used this visit to ensure that the Council is fully apprised of the changes to the audit regime that are in place this year, not least of which is a change of title from 'audit' to 'limited assurance review' to reflect the change in emphasis of the work carried out by internal and external audit. There are also changes to the format for reporting and to the process and I am pleased to report that we concluded the Council is well placed to comply with the new regime and requirements.

The level of activity undertaken by the Council has increased since my previous visit, no doubt due at least in part to the Council responding both to the opportunities and threats that have arisen during the course of the year. I understood that staffing levels have increased and that a move to new premises is under consideration. With that in mind and whilst not a mainstream audit topic, I would make the observation that any move should address the need for increased office work space. A good working environment is key to efficient and effective working – something for which the Council is renowned - and space in the office is seemingly at saturation point.

I have arranged to visit to carry out the year-end audit on Thursday 17 May.

John Marshall  
Internal Auditor to the Council  
07505 139832  
[wjm.marshall1@gmail.com](mailto:wjm.marshall1@gmail.com)

The figures submitted in the Annual Return are:

	<b>Year ending 31 March 2016</b>	<b>Year ending 31 March 2017</b>
1. Balances brought forward	706,297	638,526
2. Annual precept	250,250	290,250
3. Total other receipts	86,705	131,887
4. Staff costs	86,688	100,834
5. Loan interest/capital repayments	0	0
6. Total other payments	318,038	259,568
7. Balances carried forward	638,526	699,961
8. Total cash and investments	633,337	692,010
9. Total fixed assets and long term assets	2,301,368	2,307,631
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 (2017)*. 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-2017.pdf>