

INTERNAL AUDIT REPORT
For the year ended 31st March 2019

To **Craven Arms Parish Council**

I have carried out an internal audit in accordance with the Council's needs, and in line with the Internal Control Objectives listed in the annual return for Local Councils in England.

Internal Audit Opinion

In my opinion the controls in place were sufficient for the Council's purposes during 2018/19; however there are several areas where improvement can be made for the future.

1. Assets, registers and reserves.

Although the Council has few assets, which are listed and reviewed in the insurance policy, the Council does have a responsibility for maintaining certain assets within Craven Arms (such as the street lights). As these assets age they will require increasing levels of maintenance and repair or replacement.

There is not a specific repair and renewal program, but the Council does hold reserves for various items.

Reserves as at 31/03/19

Street lighting	£	17,042.20	
Elections	£	3,815.00	
Recreation	£	13,486.81	
Regeneration	£	122,120.08	
Picnic area	£	5,000.00	
Xmas lights	£	3,137.13	
External Gym	£	405.00	
CCTV	£	8,000.00	
Earmarked			£ 173,066.22
General Fund			£ 30,244.18
Total Funds			£ 203,250.40

It is recommended that:-

The Council reviews its assets and those items for which it has a responsibility for maintenance. This review should also consider the reserves held and whether they are adequate for the potential risks and expenditure in the future

2. Petty Cash (internal control objective F)

The Council does not operate a petty cash system and as such it has not been covered in this audit

It is not recommended that the Council set up such a petty cash account.

3. Significant risks (internal control objective C)

The Council has an extensive risk register which is available on the website. This considers risks to various operations of the council and sets out the actions to reduce the risk or ameliorate the effect should the risk occur.

The Council may wish to consider the risks to its policy objectives, and include these in the risk register.

Please note that the above recommendations are to formally record areas that may already be taken into consideration by the Council, but such recording contributes to demonstrating good corporate governance by the Council.

Audit and report prepared by

Kevin Lawrence Adams

Date 2nd May 2019

A handwritten signature in black ink, consisting of several vertical, slightly wavy lines that form the letters 'K', 'L', 'A', and 'D'. The signature is positioned to the right of the name 'Kevin Lawrence Adams' and extends slightly below the line of the name.