

**ANNUAL REPORT OF THE INTERNAL AUDITOR TO
CASTLE DONINGTON PARISH COUNCIL 2015 - 2016**

I have completed my internal audit of Castle Donington Parish Council for the year ended 31st March 2016. I have now reviewed the draft annual accounts for 2015/2016 and also the entries in the annual return to be submitted to the external auditor. There are no further issues upon which I feel I need comment following my previous report dated 6th March 2016. However, I would remind the council that I made 2 recommendations in my last report and as yet the council does not appear to have discussed them or there is no record in the minutes to show that they have been discussed.

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.

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. I particularly refer you to item 7 which specifically asked the council whether it has taken appropriate action on issues raised in any internal or external audit reports.

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, Fiona Palmer for the help and assistance provided to me during the course of both the interim and final audits.

Ian Fraser CPFA
29th June 2016