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Mrs S Bruckshaw
Clerk to New Earswick Parish Council
The Folk Hall
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Dear Mrs Bruckshaw

**To the Chairman and Members of New Earswick Parish Council
Internal Audit of Accounts for the Financial Year ending 31 March 2018**

I am pleased to inform you that the internal audit has been completed. Appropriate tests and checks were carried out on the accounts, management arrangements and internal controls as shown in the internal audit plan. No matters arose from this work to give cause for concern and I can confirm that internal controls are operating as expected. The matter brought to members' attention following last year's audit concerning the council's position as a constituent authority of Huntington Burial Authority has not yet been fully resolved. This is discussed in detail below. Section 4 of the Annual Return (the Annual Internal Auditors Report) has been completed as required.

Huntington Burial Authority

Following previous audits, I have brought to members attention the changes to legislation which meant that joint committees were no longer required to have their accounts separately prepared and audited by an appointed auditor i.e. complete an Annual Return. The legislation intended that the figures would be audited as part of the constituent authority who could arrange for a continued separate audit if they choose. The Burial Authority has continued with an annual internal audit which I have carried out as in previous years. I recommended that the Council liaise with the other constituent authorities and ensure that arrangements were made to enable them to be confident that the accounts were properly reported as legislation expects. The published guidance in 'Governance and Accountability for Smaller Authorities in England – March 2017' (and also March 2018) stated that authorities that operate joint committees, boards or other joint arrangements should make sure that the appropriate shares of income, expenditure, assets and liabilities (including

any year-end balances) are included within their own accounts. This instruction applies to accounts for the year 2017/18 but could have been carried out for 2016/17 on a voluntary basis.

For this year the council have included the agreed share (20%) of the Burial Authority's audited accounts and balances in their 2017/18 Annual Return as required.

The guidance also states 'all authorities in a joint arrangement need to communicate with one another. If an original formation document cannot be found, the constituent bodies need to make and record proper decisions about how the arrangement is set up and how the income, expenditure, assets and liabilities are owned and accounted for in each participating body's Annual Return.


I understand that the Burial Authority has a constitution and that discussions have been taking place but that these have not yet resulted in an appropriate management/service level agreement setting out the responsibilities and financial arrangements between the constituent authorities and the joint committee.

Additionally, the present clerk to the Burial Authority is retiring in a very short time and as yet no firm arrangements have been made to continue his duties.

As the guidance also states that joint arrangements are not bodies corporate and may not own assets, hold bank accounts in their own name, have employees or enter into any form of contract it is important that when agreeing any management/service level agreement and considering covering the retiring clerk's duties appropriate advice is sought.

I would like to thank the Clerk for her assistance and attention during the audit.

Yours sincerely



JL Bennett
24 April 2018

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