

Annual Internal Audit Report

(to be read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return)

Name of council:	Blisworth Parish Council		
Name of Internal Auditor:	Mrs TL Charteress	Date of report:	26 th May 2023
Year ending:	31 March 2023	Date audit carried out:	26 th May 2023

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. Managing the council's internal controls should be a day-to-day function of the council through its staff and management and not left for internal audit. 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:

Thank you very much to the Parish Clerk for supplying me with the information I requested to carry out this Annual Internal Audit. I have spoken with the Clerk in person via video call and conducted the audit remotely.

Results

The work completed is identified in the table below and action required is highlighted:

Area of Work	Observations/Points
Adoption of Policies	Standing Orders were adopted at the April 2022 meeting with other key policies adopted at the Parish Council meeting in May 2022
Accounting Records	The Accounts were properly maintained during the financial year and the correct carry forward figure was rolled over
Asset Register	The Asset Register is an accurate reflection of council owned assets and includes assets purchased during the financial year
Bank reconciliations	Bank reconciliations were reviewed and confirmed to be done on a monthly basis with due care and attention. Bank balances were confirmed to statements as at the 31 st March 2023
Budget	The Parish Council has followed due process for the agreement of the Budget at the December 2022 meeting
Co-option	The Council's Co-option procedure follows due process

Due process	ADVISORY NOTE: The Chairman is married to the Clerk and has an interest, pecuniary or otherwise, in payments being made to the Clerk. The Chairman may consider whether he needs to declare an interest in this regard
Earmarked Reserves	The Council adopted a Financial Reserves Policy in February 2023 but the Minutes do not detail if any reserves have been earmarked and for what purpose. The Reserves Policy is not on the website
Insurance	The Annual Insurance policy was reviewed and agreed in May 2022 and the payment to BHIB was made
Internal Control	An Internal Control procedure was agreed at the September 2022 Council meeting however reporting in the Minutes is irregular with quarter 1 not being reported until November 2022
Minutes of Meetings	Minutes were reviewed: NOTE: the Minutes require clearer resolutions for example: a Section 137 grant was agreed for the purchase of the Remembrance Day Wreath, but the Minutes do not detail the amount agreed. The earmarked reserves have not been detailed. I have also spoken with the Clerk about the Clerks Report not being Minuted and have advised that Tender resolutions should be discussed in closed session
PAYE	Payments to HMRC are being paid regularly and are following correct procedures
Payments	Payments followed due process and have been accounted for correctly however there are a number of payments every month which remain uncashed. NOTE: at the time of audit the Council is still using cheques as its vehicle for paying invoices, should the Council move to Internet Banking, its accounts would be a lot easier to manage and uncashed payments would stop. The Clerk has advised me that the Council is looking to use online banking
Precept	Due process was followed to agree the Precept Demand at the December 2022 meeting and was minuted NOTE: a separate resolution should detail the amount of the Precept
Procurement	The Council procured new play equipment & a new mowing contract. I have advised the Clerk to place these items in a closed session on the agenda as the information received from the tenders is data protected
Risk Assessments	The Parish Council's Risk Assessments were discussed & amended at the July 2022 meeting
VAT return	The balance as at 31 st March 2023. No errors were observed.
Year-end procedures	Year-end procedures were carried out in the correct manner. The year end figure has been rounded down with no option to alter

Summary

In my opinion the Council's books and records are in very good order and follow due process in all elements.

I wish the Parish Council a very successful 2023/2024 and look forward to returning in 2024 to carry out the Annual Internal Audit.

Yours sincerely,

Tina Charteress

Mrs Tina L Charteress CiLCA
Internal Auditor to the Council
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The figures submitted in the Annual Governance and Accountability Return are:

	Year ending 31 March 2022	Year ending 31 March 2023
1. Balances brought forward	26,699	59,405
2. Annual precept	41,480	43,400
3. Total other receipts	36,561	19,813
4. Staff costs	7,555	9,587
5. Loan interest/capital repayments	0	0
6. Total other payments	37,780	43,531
7. Balances carried forward	59,405	69,500
8. Total cash and investments	59,405	69,500
9. Total fixed assets and long-term assets	103,075	115,245
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 (2020)*. It is a guide to the accounting practices to be followed by local councils and it sets out the appropriate standard of financial reporting to be followed. A copy of the guide is available for free download from:

<https://www.northantscalc.com/uploads/practitioners-guide-2020-2.pdf>