

## Internal Audit Report

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

Name of council:	Whittlebury Parish Council		
Name of Internal Auditor:	Caroline Holgate	Date of report:	3 <sup>rd</sup> May 2024
Year ending:	31 March 2024	Date audit carried out:	3 <sup>rd</sup> May 2024

*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:

I met with Emma Lavers, the Clerk/RFO, on 3<sup>rd</sup> May 2024, to carry out the year end audit of the Council. Prior to meeting I was able to review minutes on the website, and the Clerk has provided me with information requested for audit purposes.

Emma was appointed in June 2023 and is new to the sector, but has made a very positive start in this role. I was able to review a well ordered set of documents and accounting information.

The work completed is identified in the table below. Please note that where points appear in bold, the council is required to take appropriate action.

<b>Area of Work</b>	<b>Observations/Points</b>
Audit – Internal and External	The Council received and approved Sections 1 and 2 of the AGAR at their meeting in April 2023. However, the Internal Audit report for 2021/22 does not appear to have been presented to the Council. The External Audit was presented to the Council and the actions have been noted.
AGAR Publication Requirements	All relevant documents have published on the parish council website, including the Notice of Conclusion of Audit. However, see Exercise of Public Rights below.
Adoption of Policies	The Standing Orders, Financial Regulations, and internal control policy were adopted en bloc at the Annual Meeting of the Council. All existing policies have now been thoroughly reviewed.

Accounting Records	The Accounts were properly maintained during the financial year using the correct accounting method. Payments made are reported to the Council at each meeting and legal powers are identified in the minutes.
Asset Register	The Asset Register is up to date.
Bank reconciliations	Reconciled bank balances are reported to the Council at each meeting. Bank balances were confirmed to statements as at the 31 <sup>st</sup> March 2024.
Budget	There is evidence that the Council review the budget and a budgetary process is in place. A draft budget was prepared by the Finance sub-group, and presented to the Council for approval in December 2023. <b>The budget figure should be minuted when resolved.</b> The budget for 2024/25 has been set at £30,855.
Employees	The Clerk has a contract in place. Payroll is outsourced to a payroll provider and PAYE/NI contributions are up to date.
Exercise of Public Rights	<b>The Clerk has identified by that Exercise of Public Rights was not displayed, and will enclose a note of explanation to the External Auditor.</b>
General Power of Competence	The Council adopted the General Power of Competence in 2021.
Insurance	Insurance cover is in place and due to be renewed in June.
Internal Controls	An Internal Controls Councillor (Verifier) is appointed and has good oversight of the financial processes of the Council.
Minutes of Meetings	Minutes were reviewed and do not reveal any unusual activity. Minutes are held in a loose-leaf folder and are initialled, signed and dated.
Precept	2024/25 precept set at £30,855, agreed and minuted in January 2024.
Reserves	General reserves are at an appropriate level. Earmarked reserves are identified.
Risk Assessments	<b>The Council are aware that they have not reviewed their Risk Assessment. A Risk Assessment policy is in development and will be adopted during 2024/25.</b>
Trusts	The Council are the sole trustee of the Whittlebury Reading Room and Playing Field trust. The annual return, accounts, and annual report are up to date on the Charity Commission website. The management committee meet separately to the Council. Minutes and accounts are kept by the trust.
VAT	VAT has been reclaimed.

Having reviewed the information available to me, I am satisfied that effective systems of control are in place and have signed the 2023/24 AGAR accordingly.

Yours sincerely,



Caroline Holgate  
Internal Auditor to the Council  
07766 334541  
clholgate@hotmail.com

The figures submitted in the Annual Governance and Accountability Return are:

	Year ending 31 March 2023	Year ending 31 March 2024
1. Balances brought forward	30,552	61,100
2. Annual precept	28,050	30,855
3. Total other receipts	37,845	9,110
4. Staff costs	9,191	9,355
5. Loan interest/capital repayments	0	0
6. Total other payments	26,156	16,558
7. Balances carried forward	61,100	75,151
8. Total cash and investments	61,099	75,151
9. Total fixed assets and long-term assets	66,792	68,184
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 (2023)*. 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/practitioners-guide-2023>.