

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:	Ecton Parish Council		
Name of Internal Auditor:	Mrs TL Charteress	Date of report:	5 th May 2024
Year ending:	31 March 2024	Date audit carried out:	5 th 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:

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 via Teams 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	Key policies were adopted at the Annual Parish Council meeting in May 2023
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
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 November 2023 meeting
Co-option	The Council's Co-option procedure follows due process
Earmarked Reserves	Earmarked reserves have not been documented and are not necessary in this financial year

Insurance	The Annual Insurance policy was reviewed and a three-year commitment to Zurich was resolved. The payment of £619.07 was agreed
Internal Control	A Cllr was appointed at the May meeting to carry out Internal Control, and the Minutes reflect this process is being completed
Minutes of Meetings	Minutes were reviewed and no errors were observed
PAYE	Payments to HMRC are being paid monthly and are following correct procedures
Payments	Payments followed due process and have been accounted for correctly. NOTE: the council does not have a scheme of delegation to enable the Clerk to make payments when the council doesn't meet. It would be good practise to adopt a scheme of delegation setting criteria as to what the Clerk can/cannot pay under delegation
Precept	Due process was followed to agree the Precept Demand of £16,335 at the January 2023 meeting and was Minuted
Risk Assessments	The Parish Council's Risk Assessments were discussed & agreed at the November 2023 meeting
VAT return	The balance as at 31 st March 2024. No errors were observed.
Year-end procedures	Year-end procedures were carried out in the correct manner.

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,

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 2023	Year ending 31 March 2024
1. Balances brought forward	23,854	23,048
2. Annual precept	12,335	16,335
3. Total other receipts	1,698	3,485
4. Staff costs	3,929	4,126
5. Loan interest/capital repayments	0	0
6. Total other payments	10,910	19,279
7. Balances carried forward	23,048	19,463
8. Total cash and investments	23,048	19,463
9. Total fixed assets and long-term assets	114,812	123,897
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>