

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:	Hanslope Parish Council		
Name of Internal Auditor:	Mrs TL Charteress	Date of report:	28.04.23
Year ending:	31 March 2023	Date audit carried out:	28.04.23

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 for providing me with the information I needed to complete this Annual Internal Audit. I have spoken with the Clerk & Cllr Price via Zoom 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 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. NOTE: the Council will need to prepare accounts on an income & expenditure basis for the next financial year
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 of March 2023
Budget	The Parish Council has followed due process for the agreement of the Budget in January 2023
Co-option	The Council's Co-option procedure follows due process
Earmarked Reserves	Earmarked reserves were discussed at the September 2022 meeting and agreed & documented at the October 2022 meeting. The process was very well managed & transparent

Insurance	Insurance cover was agreed in May 2022; BHIB were appointed, and the cover appears to be appropriate & adequate
Internal Control	There is evidence in the Minutes of regular Internal Control with a policy being agreed at the May 2022 meeting
Meetings	The Council held a meeting on the 18 th of July remotely via Zoom. NOTE: This process is unlawful and any decisions made unlawful. I note the Clerk brought the decisions back to the next Council meeting retrospectively
Minutes of Meetings	Minutes were reviewed and no errors were apparent
PAYE	Payments to HMRC are being paid monthly and are following correct procedures
Payments	Payments followed due process and have been accounted for correctly
Precept	Due process was followed to agree the Precept Demand of £127,574 in January 2023
Procurement	The Council is having to take on more services as a result of the principle council changing to a unitary. Processes for tendering new contracts are being carried out in accordance with legislation
Risk Assessments	The Parish Council's Risk Assessments were re-adopted at the May 2022 meeting. NOTE: I recommend the Council makes sure the new Gym & MUGA are covered by existing risk assessments. I also advised the Clerk that regular checks need to take place on the new equipment for insurance and safety purposes.
VAT return	The balance as at 31 st March 2023. No errors were observed. NOTE: The Clerk has acknowledged the change in HMRC VAT charging for sports pitch bookings. This does not apply to the Council at the current time with income being below the threshold
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,

Tina Charteress

Mrs TL Charteress
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	296,445	298,930
2. Annual precept	124,860	122,278
3. Total other receipts	280,799	75,633
4. Staff costs	22,224	28,491
5. Loan interest/capital repayments	0	0
6. Total other payments	380,950	235,006
7. Balances carried forward	298,930	233,344
8. Total cash and investments	298,930	233,344
9. Total fixed assets and long-term assets	1,222,312	1,269,568
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.