

## 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:	10.05.24
Year ending:	31 March 2024	Date audit carried out:	10.05.24

*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 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 Parish Council meeting on the 15 <sup>th</sup> May 2023
Accounting Records	The Accounts were properly maintained during the financial year and the correct carry forward figure was rolled over. <b>NOTE: the council has re-stated figures from the previous financial year due to changing accounting practices to income &amp; expenditure. The Clerk was able to supply a reconciliation between boxes 7 &amp; 8 on the AGAR for the previous financial year showing the re-stated figures</b>
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 <sup>st</sup> of March 2024
Budget	The Parish Council has followed due process for the agreement of the Budget which was set at £216,276 in December 2023

Co-option	The Council's Co-option procedure follows due process and has been regularly used throughout the year with quite a turnover of councillors
Due process	Financial Regulations were set aside in appointing an electrical contractor for the Christmas lights. This was due to a very difficult situation waiting for work to be done by MK Council. This process was very well documented and is extremely transparent in the Minutes
Earmarked Reserves	Earmarked reserves were regularly discussed throughout the year and very well documented. The process was very well managed & transparent
Insurance	Insurance cover was agreed in May 2023; BHIB were reappointed with a premium of £3064.36 being paid. The cover appears to be appropriate & adequate. Business Interruption covered was discussed
Internal Control	There is evidence in the Minutes of regular Internal Control with a policy being re-adopted at the May 2023 meeting
Minutes of Meetings	Minutes were reviewed <b>NOTE: I have advised the Clerk to amend the way in which closed sessions of council meetings are Minuted to ensure complete transparency. Items should be placed within the main body of the Minutes with clear resolutions shown</b>
PAYE	Payments to HMRC are being paid monthly and are following correct procedures
Payments	Payments followed due process and have been accounted for correctly. <b>NOTE: the Council may wish to look at creating a Scheme of Delegation to assist the Clerk in managing payments when council doesn't meet; this will need to be cross referenced in the new Financial Regulations</b>
Precept	Due process was followed to agree the Precept Demand of £153,787 in December 2023. The budget deficit will be met by predicted income
Risk Assessments	The Parish Council's Risk Assessments were re-adopted at the May 2023 meeting. <b>NOTE: It was pleasing to see my recommendations for risk assessment and regular safety checks on the new equipment are being carried out</b>
VAT return	The balance as at 31 <sup>st</sup> March 2024. No errors were observed.
Year-end procedures	Year-end procedures were carried out in the correct manner and re-stated on an income & expenditure basis

## 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 2024/2025 and look forward to returning later this year to carry out the Interim Internal Audit.

Yours sincerely,

*Tina Charteress*

Mrs TL Charteress  
Internal Auditor to the Council  
07818 084231  
tcharteress@gmail.com

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

	<b>Year ending 31 March 2023 (re-stated)</b>	<b>Year ending 31 March 2024</b>
1. Balances brought forward	313,628	241,118
2. Annual precept	122,278	127,574
3. Total other receipts	31,745	20,017
4. Staff costs	28,491	29,557
5. Loan interest/capital repayments	0	0
6. Total other payments	198,042	160,220
7. Balances carried forward	241,118	198,932
8. Total cash and investments	233,344	206,071
9. Total fixed assets and long-term assets	1,269,568	1,273,003
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.