

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:	20th May 2022
Year ending:	31 March 2022	Date audit carried out:	28 th April & 20 th May 2022

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 met with the Clerk both remotely and in person.

Results

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

Area of Work	Observations/Points
Adoption of Policies	Risk Assessments were adopted in June 2021 other key policies such as Financial Regulations & Standing Orders have not been adopted during this financial year.
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 has been re-worked is an accurate reflection of council owned assets
Bank reconciliations	Bank reconciliations were reviewed and confirmed to be done on a regular basis with due care and attention. Bank balances were confirmed to statements as at the 31 st March 2022
Budget	The process for agreeing the budget was incorrectly Minuted; there is no evidence of the amount agreed in the Minutes. NOTE: I can see why, as it is clear the Minutes were not taken by the Clerk. I cannot

	see any evidence of the agreed budget on the website. I would suggest going forward, the agreed Budget is shown as an appendix to the Minutes
Co-option	The Council has followed due process in co-opting new Cllrs
Earmarked Reserves	Reserves have been clearly documented
Insurance	The Annual Insurance policy was reviewed, and cover was agreed with BHIB at the June 2021 meeting
Internal Control	Internal Control has been regularly completed, minuted, and follows due process. Following recommendations from previous Audit Reports, a new process is being followed which is very thorough and reports regularly to Council meetings. Cllr Bunker has made some very positive changes in this regard
Minutes of Meetings	Minutes were reviewed. NOTE: Bank balances are not being recorded on a regular basis
PAYE	Payments to HMRC are being paid monthly and are following correct procedures; a contractor is used
Precept	NOTE: The Precept demand was not agreed showing the amount although an increase was discussed and evidenced in the Minutes
Risk Assessments	The Parish Council's Risk Assessments were approved at the June 2021 Parish Council meeting
VAT return	The VAT refund was received and reported via Internal Control & showed in the Minuted receipts
Website	The website is kept up to date. NOTE: I would suggest going forward, a little more transparency with regards to publishing the Budget in the finance section

Summary

In my opinion the Council's books and records are in good order and follow due process in most elements. The council has made significant, positive changes during the financial year which is very pleasing to see.

I wish the Parish Council a very successful 2022/2023 and look forward to returning in 2023 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 2021	Year ending 31 March 2022
1. Balances brought forward	43,745	26,699
2. Annual precept	41,630	41,480
3. Total other receipts	17,091	36,561
4. Staff costs	8,670	7,555
5. Loan interest/capital repayments	0	0
6. Total other payments	67,097	37,780
7. Balances carried forward	26,699	59,405
8. Total cash and investments	26,699	59,405
9. Total fixed assets and long-term assets	75,432	103,075
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>