

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:	Brafield on the Green Parish Council		
Name of Internal Auditor:	Mrs TL Charteress	Date of report:	21 st April 2023
Year ending:	31 March 2023	Date audit carried out:	13 th & 21 st April 2023

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 email & telephone 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: I asked the Clerk to ensure grants awarded are placed in the S137 accounting column and the accounts have been amended to reflect this request
Asset Register	In my previous Internal Audit reports I have advised that the Council's Asset Register does not contain enough detail. It is now a typed list rather than a note book but still does not contain any purchase information, any site location or insurance valuation. NOTE: The Asset Register has been amended to add the purchase of benches, cradle swings & litter bins during 2023. The detail contains the purchase year and amount – no information as to where the asset was purchased from & no site location. I would advise the

	Council to view other council's registers and establish a more detailed document. I also note there is still no information regarding council owned IT equipment
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 2023
Budget	The Parish Council has followed due process for the agreement of the Budget
Co-option	The Council's Co-option procedure follows due process
Earmarked Reserves	There is no requirement for the Council to earmark reserves this year
Insurance	The annual insurance policy was reviewed in May 2022 and the payment to BHIB was made
Internal Control	Internal Control was regularly carried out & Minuted. NOTE: It was pleasing to see the Parish Council has adopted a new "Effectiveness of System of Internal Control & Internal Audit".
Minutes of Meetings	Minutes were reviewed and no errors were observed
PAYE	Payments to HMRC were made twice throughout the financial year and the Council uses a PAYE Contractor to manage this
Payments	Payments followed due process and have been accounted for correctly. NOTE: I was pleased to see the Council has made changes to its online payments process and that Cllrs have been appointed to authorise the payments
Precept	Due process was followed to agree the Precept Demand and was minuted
Risk Assessments	The Parish Council's Risk Assessments were discussed & re-adopted at the May2022 meeting
VAT return	The balance as at 31 st March 2023. 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 good order and follow due process in most elements.

I would like to see a review of Assets and a new Asset Register produced with more detail. I am concerned that there isn't any information relating to IT on the register. The Council should have its own computer & this should be backed up.

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 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 2022	Year ending 31 March 2023
1. Balances brought forward	13,774	16,369
2. Annual precept	15,000	17,000
3. Total other receipts	4,890	1,566
4. Staff costs	5,297	5,791
5. Loan interest/capital repayments	0	0
6. Total other payments	11,998	18,317
7. Balances carried forward	16,369	10,827
8. Total cash and investments	16,369	10,827
9. Total fixed assets and long-term assets	100,295	105,240
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>