

Internal Audit Report

(to be read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return)

Name of council:	Broughton Astley Parish Council		
Name of Internal Auditor:	Martin Cooke	Date of report:	7 th May 2024
Year ending:	31 March 2024	Date audit carried out:	3 rd 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 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 proper practices referred to in Accounts and Audit Regulations are set out in JPAG Practitioners Guide. 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.

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:

This internal Audit report was compiled following several independent tests / checks being undertaken using various financial records, documents, minutes etc both through the official website and during an audit meeting with your RFO Elaine Foxon & Clerk Debbie Barber on the 3rd May 2024.

The following topics were reviewed against our standard checklist format:

There were no recommendations from previous internal audit.

Accounting records:

- All details were satisfactorily recorded in the financial ledger, and all appeared to be in order.
- Payments in the ledger were generally covered by invoices and minuted and authorised at the relevant PC meetings against a list of payments.
- It was noted that Elaine was relatively new in post and was already restructuring the filing system to make analysis of documentation a much easier process.
- There were 3 bank accounts which were reconciled and presented to council at each meeting,
- VAT is claimed automatically each month.

Due Process:

- Standing Orders and Financial Regulations had been reviewed in May & August 2023 respectively and adopted.

Risk Management:

- Scanning the minutes there didn't appear to be any unusual activity.
- The annual Risk assessment was carried out 6th September 2023.
- Insurance was reviewed August 2023 & renewed 1st October 2023, 2 providers noted Zurich & Gallagher.
- The monitoring and risk assessment of play equipment etc, was checked regularly and reported as necessary.

Budget / Precept:

- The annual Budget and Precept was approved by the Admin & Finance 11th December and then full council in January with the precept request being submitted to Harborough District Council.

Income:

- Income was noted from 140 Allotments through the ledger.
- Allotment holders have leases with an agreed annual renewal date when invoices are automatically sent and chased if necessary.
- In come was noted from the hire of the hall through the ledger.
- Hiring of the hall has an effective booking system managed from the council office.
- Income from Burials, interments etc. were noted within the ledger (see further details under Cemeteries).

Petty Cash

- A small float of £50 is kept and noted within the ledger accordingly.

Salaries / Employees:

- There are 9 employees all with contracts of employment.
- Tax, NI, Pension etc are all noted within the ledger accordingly.
- Salaries are reviewed annually by the Staffing Committee and then approved in council.
- The PC is registered with the Pensions Regulator.

Asset Control:

- The Asset register had been reviewed and was displayed on the website. ***For the purposes of transparency, I would recommend the full line by line asset list be displayed on the website.***
- Deeds etc were held by the solicitor.
- The outstanding loan agreement was noted accordingly.

Accounting Statements:

- Bank accounts & balances were reviewed and reconciled monthly, and all appeared to be in order.
- Accounting statements were prepared throughout the year, debtors & creditors recorded where necessary and there was evidence of a financial trail through records.
- On the sample payments taken there was evidence of control with all being approved in Council, minuted and paid accordingly.
- The Yearend accounts had been prepared, bank statements and ledgers reconciled, these will be signed off at next PC meeting.
- This year's sections 1 & 2 of the Annual Return had been drafted ready for signing at the next PC meeting.

Transparency:

- The following were displayed / published as required:
 - End of year accounts / Accounting Statement
 - Annual Governance Statement.
 - Internal & External Audit reports.
 - Asset list.
- There are no specific Councillor Responsibilities.
- Agendas and meeting papers are published as required and draft minutes were generally issued within one month.
- The PC website appears to be regularly updated.

Exercise of Public Rights:

- "The Notice of Public Rights" was issued and displayed on the website as required.

AGAR Publication for prior year:

- The AGAR Annual Governance & Accounting Statement documents were displayed on the website as required.

Cemeteries

- Cemetery regulations reviewed August 2023.
- Register of deaths recorded, and details of green slips and burial certificates al noted and in order.
- Burial plan up to date and rates displayed on website.

Miscellaneous:

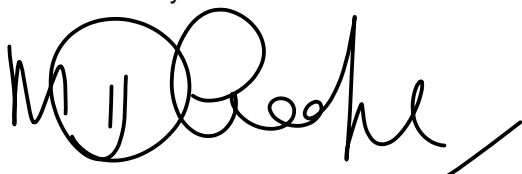
- There was evidence confirming the previous internal audit had been reviewed.
- Clerk confirmed electronic files are backed up daily to the cloud.
- Members interests were noted on the website.
- Minutes were initialled by page and signed by the chair at each meeting.
- Clerk confirmed terms of reference were in place for all sub-committees.

Annual returns:

- The annual return section 2 details (Year Ending 31st March 2023) are set out at the end of this document.

In conclusion, I would like to thank Elaine and Debbie for their support throughout the auditing process.

Yours sincerely



Martin Cooke (Internal Auditor to the Council)
Mob: 07809 466500 martindcooke23@gmail.com

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	£568,819	£620,176
2. Annual precept	£341,035	£378,937
3. Total other receipts	£167,169	£221,333
4. Staff costs	£240,645	£279,440
5. Loan interest/capital repayments	£56,846	£56,164
6. Total other payments	£159,356	£300,960
7. Balances carried forward	£620,176	£583,882
8. Total cash and investments	£645,591	£593,015
9. Total fixed assets and long-term assets	£6,410,594	£6,430,985
10. Total borrowings	£1,150,000	£1,094,006