

# Internal Audit Report

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

|                           |                          |                         |           |
|---------------------------|--------------------------|-------------------------|-----------|
| Name of council:          | Brixworth Parish Council |                         |           |
| Name of Internal Auditor: | Claire Tilley            | Date of report:         | 26-4-2024 |
| Year ending:              | 31 March 2024            | Date audit carried out: | 26-4-2024 |

## To the Chairman of the Council:

By referring to proper practices in the Governance and Accountability for Smaller Authorities in England (2020), plus the Joint Panel on Accountability and Governance -Practitioners Guide (2023) I have carried out an Internal Audit of the governance and financial activities of Bixworth Parish Council.

Initially, I examined the minutes and policies available on the website, which are up to date. I had several queries which the Proper Officer, Josie quickly responded to. Finally, I conducted a Zoom meeting with Josie and Gavin and thank them for their time and assistance. Brixworth is now an efficiently, professionally run council, the councillors are committed and the officers knowledgable. I particularly commend the way the reports and minutes are composed.

**I am pleased to inform you that I was satisfied that all relevant objectives have been satisfied and I am happy to sign off the Internal Report on the AGAR.**

For further clarification, I would like to make the following comments.

- I would like to draw note to the fact that the council have now moved from R&P to I&E, hence some items on the Accounting Statements have had to be restated on the previous financial year.
- Last year External Audit was qualified because the auditor stated that Box 4 (staff costs) was incorrect because a Locum Clerk salary was included in the staff costs. This is how it was coded in the Accounting Software, and in my opinion, should have been included – which is what the Parish Council did.
- I also note that they state *“We note that the smaller authority did not comply with Regulation 15 of the Accounts and Audit Regulations 2015 as it failed to make proper provision during the year 2023/24 for the exercise of public rights, since the notice regarding the period for the exercise of public rights was not published before the start of the period. As a result, the smaller authority must answer ‘No’ to Assertion 4 of the Annual Governance Statement for 2023/24 and ensure that it makes proper provision for the exercise of public rights during 2024/25”*

Last year's Internal Audit 22/23 would have looked at provision for 21-22, which was correctly done- hence I ticked Yes. This year I have looked at provision for 22/23,

which again was correctly made. I do not understand why the auditor was looking at provision for 23/24, which will not be made until June/July of this year. I believe the council should be able to tick Yes to Assertion 4.

Yours sincerely,

A handwritten signature in blue ink that reads "Tilley". The signature is written in a cursive style and is enclosed within a light blue rectangular box.

Ms Claire Tilley  
Internal Auditor to the Council  
07981609565  
claire@renaissancebusiness.co.uk

*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.***

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

|  | Year ending<br>31 March 2023 | Year ending<br>31 March 2024 |
|--|------------------------------|------------------------------|
| 1. Balances brought forward                | 443,891 *                    | 391,036                      |
| 2. Annual precept                          | 170,000                      | 175,000                      |
| 3. Total other receipts                    | 32,232 *                     | 58,566                       |
| 4. Staff costs                             | 82,704 *                     | 119,535                      |
| 5. Loan interest/capital repayments        | 0                            | 0                            |
| 6. Total other payments                    | 172,384 *                    | 229,529                      |
| 7. Balances carried forward                | 391,036                      | 275,538                      |
| 8. Total cash and investments              | 388,630                      | 275,273                      |
| 9. Total fixed assets and long-term assets | 339,372                      | 373,517                      |
| 10. Total borrowings                       | 0                            | 0                            |

Items marked with an \* have been restated, due to change form R&P to I&E

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2024)*. 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/practitioners-guide-2023>.

# Annual Internal Audit Report 2023/24

## Brixworth Parish Council

<https://www.brixworthparishcouncil.gov.uk/>

During the financial year ended 31 March 2024, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2023/24 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

| Internal control objective   | Yes | No* | Not covered**  |
|--|-----|-----|----------------|
| A. Appropriate accounting records have been properly kept throughout the financial year.   | ✓   |     |                |
| B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.  | ✓   |     |                |
| C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.  | ✓   |     |                |
| D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.   | ✓   |     |                |
| E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.  | ✓   |     |                |
| F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.   |     |     | ✓              |
| G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.  | ✓   |     |                |
| H. Asset and investments registers were complete and accurate and properly maintained.   | ✓   |     |                |
| I. Periodic bank account reconciliations were properly carried out during the year.  | ✓   |     |                |
| J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.   | ✓   |     |                |
| K. If the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")  |     |     | ✓              |
| L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.   | ✓   |     |                |
| M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2023-24 AGAR period, were public rights in relation to the 2022-23 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set). | ✓   |     |                |
| N. The authority has complied with the publication requirements for 2022/23 AGAR (see AGAR Page 1 Guidance Notes).   | ✓   |     |                |
| <b>O. (For local councils only)</b><br>Trust funds (including charitable) – The council met its responsibilities as a trustee.   | Yes | No  | Not applicable |
|  | ✓   |     |                |

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

26/04/2024

Name of person who carried out the internal audit

Claire Tilley

Signature of person who carried out the internal audit



Date

28/04/2024

**\*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).**

**\*\*Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).**