

# Internal Audit Report

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

Name of council:	Ashton Parish Council		
Name of Internal Auditor:	David Harries	Date of report:	12 June 2022
Year ending:	31 March 2022	Date audit carried out:	28 April & 11 June 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:**

## **1. Introduction and Background**

I carried out the internal audit of Ashton Parish Council mainly by an examination of the information provided on the web site. My thanks to the Parish Clerk/RFO, Lynn Lavender for providing additional information on request.

Ashton Parish Council has seven councillors with a quorum of three, serving an electorate of almost 400. There was an uncontested election in May 2021 which returned five councillors.

A Neighbourhood Plan was adopted by West Northamptonshire Council on 21 May 2021.

Standing Orders (based on the updated NCALC Model) were reviewed and adopted on 19 May 2021, together with all policies, including Financial Regulations, Financial Management and Health & Safety Risk Assessment, Data Protection, and Internal Control procedures. The General Power of Competence was re-adopted on 19 May 2021 in accordance with the Localism Act 2011.

The council has a web site that includes minutes and transparency information. It also includes policies, procedures and governance.

A precept of £18,796 was agreed on 9 December 2020 after careful consideration of likely expenditure. This was an increase of £296 over the previous year. The Budget Working Group provides a detailed examination of future budget proposals before being considered by the Council.

The council receives around £4,000 p.a. from EDF related to the nearby wind farm. This is a capital grant paid to five local parishes based on the size of the electorate, with community

benefits criteria for which the council must bid each year. The council invite ideas from local inhabitants for the appropriate use of these funds, based on the council's published grants policy.

The council receives regular budget reports. Invoices and payments are available at each council meeting and regular checks are carried out by the Internal Control Councillor (ICC).

Insurance cover is with Axa. Fidelity cover is £500,000.

A draft lease with the brewery that owns the playing fields land, to replace the lease which ended some years ago, was approved for negotiation on 8 September 2021. Negotiations are continuing. An item is included on the agenda for each meeting as the council is aware it remains outstanding.

The final accounts for the year ended 31 March 2022, together with the Annual Governance and Accountability Return (AGAR) would be approved by the council on 15 June 2022.

## **2. Issues for Consideration**

There are no issues for consideration.

## **3. General Conclusion**

Through examination of evidence and questioning, I tested the internal controls and I am satisfied that effective systems of control are in place.

*This report is based on the evidence made available to me. 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. Consequently, the report is limited to those matters set out above.*

Yours sincerely,

David Harries BEM  
Internal Auditor  
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The figures submitted in the Annual Governance and Accountability Return are:

	<b>Year ending 31 March 2021</b>	<b>Year ending 31 March 2022</b>
1. Balances brought forward	20384	16985
2. Annual precept	18500	18796
3. Total other receipts	6007	20620
4. Staff costs	4088	5764
5. Loan interest/capital repayments	3387	1694
6. Total other payments	20431	13867
7. Balances carried forward	16985	35076
8. Total cash and investments	16985	35076
9. Total fixed assets and long-term assets	64822	68092
10. Total borrowings	1674	0

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2017)*. It is a guide to the accounting practices to be followed by local councils and sets out the appropriate standard of financial reporting to be followed. A copy of the guide is available for free download from:

<http://www.northantscalc.com/uploads/practitioners-guide-2017.pdf>