

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:	Caroline Holgate	Date of report:	30 May 2023
Year ending:	31 March 2023	Date audit carried out:	30 May 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:

I carried out an Internal Audit of Ashton Parish Council, with most relevant information available via the website. The Clerk/RFO, Lynn Lavender, provided me with further information requested for audit purposes, and I would like to thank her for her time and assistance.

The Council have had an outstanding councillor vacancy for the majority of the year, with a new councillor being co-opted in February 2023. The Council has a total of 7 councillors.

The work completed is identified in the table below. Please note the points in bold on which the council is required to take appropriate action.

Area of Work	Observations/Points
Audit – Internal and External	The Council received and approved Sections 1 and 2 of the AGAR at their June meeting. The Notice of Conclusion of the Audit was noted at the October meeting, with no issues raised.
AGAR Publication Requirements	The Council have published all relevant information in order to comply with the AGAR Publication Requirements on their website.
Adoption of Policies	Standing Orders, Financial Regulations, and other relevant policies were reviewed and re-adopted at the Annual Meeting.
Accounting Records	The Accounts were properly maintained during the financial year and the correct carry forward figure was rolled over. Receipts and payments are reported to the Council at each meeting, as well as the current bank account balance.

Asset Register	The Council keep a register of assets which is updated, and the correct asset figure is stated in the Accounting Statements.
Bank reconciliations	Bank balances were confirmed to statements as at the 31 st March 2023.
Budget	There is evidence that there is a budgetary process in place. The budget figure was minuted in January 2023, prior to the precept figure being resolved.
Employees	Employees are paid regularly on approval of the Council. Regular payments made to HMRC for PAYE.
Exercise of Public Rights	The Clerk has confirmed that the Notice of Exercise of Public Rights was published, and the dates included the first 10 days of July. The Notice has been replaced on the website with the Notice of Conclusion of Audit.
Income	A grant is received from EDF in relation to a wind farm, and the amount received is duly noted in the minutes.
Insurance	A review of insurance was carried out in October, with the agreement to remain with the current provider (Axa). An insurance claim was made for key staff cover which has been paid out.
Minutes of Meetings	Minutes were reviewed and do not reveal any unusual activity.
Precept	The precept was received in two equal payments of £9,586. The Council have agreed an increased precept figure of £20,000 for the 2023/24 financial year.
Reserves	Reserves are at an acceptable level.
Risk Assessments	The Council reviewed and adopted their Risk Assessment in May 2022.
Transparency Code and AGAR publishing requirements	All items of expenditure are reported in the Minutes and year end accounts have been published on the website. Councillor responsibilities are published in the minutes of the Annual Meeting. The Council have published all required documents on its website.
VAT return	VAT claim has been made.

Yours sincerely,



Mrs Caroline Holgate
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	16,985	35,076
2. Annual precept	18,796	19,172
3. Total other receipts	20,620	17,443
4. Staff costs	5,764	5,666
5. Loan interest/capital repayments	1,694	0
6. Total other payments	13,867	16,337
7. Balances carried forward	35,076	49,688
8. Total cash and investments	35,076	49,688
9. Total fixed assets and long-term assets	68,092	68,092
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 (2022)*. 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-2022-8.pdf>