

**Internal Audit Report**

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

Name of council:	Stoke Bruerne Parish Council		
Name of Internal Auditor:	Gill Wells	Date of report:	4 <sup>th</sup> June 2024
Year ending:	31 March 2024	Date audit carried out:	3 <sup>rd</sup> June 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 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 the audit remotely, followed by an online meeting with the Clerk to the Council, Dave Weston. I would like to welcome Dave to Stoke Bruerne Parish Council having joined the Council in 2023 and to thank Dave for his co-operation and assistance during the meeting and for forwarding the year-end data which has been very helpful to me in delivering the audit.

I firstly examined the publicly available information displayed on the council's website including the council's policies, procedures, agendas, minutes, financial and other records.

I examined the council's arrangements for the management and control of its business in the areas of bookkeeping, due process (ie compliance with the 'proper practices' as set out in the Practitioners' Guide), risk management, budget setting and monitoring, payroll, asset register, bank reconciliations, internal control and year-end procedures including the display of information including the exercise of public rights.

At our meeting the Clerk and myself discussed a number of good practices in relation to governance issues and I have highlighted where the Council should consider, be mindful of, & / or take action on:-

- The Council does not hold the General Power of Competence and therefore should record the power and duty under which the Council has made that payment in order that the Council (and public) are assured that, when approving expenditure it has the authority to do so and has not acted ultra vires;
- I am aware that the Council is pursuing moving to online banking – I would urge the Council to progress this urgently as it is an efficient way of working and will aid the Clerk & RFO in their role;
- I see no evidence that the appointment of a new Clerk & RFO was officially approved in 2023 by the Council and as a legal position enshrined in law I would simply ask that the Council add this to their next meeting and confirm Dave's appointment and the roles he has been employed by the Council to undertake;
- I see no evidence that the internal audit report was received and reviewed by the Council rather than just the Clerk in 2022-2023. The Council has subsequently engaged a new Clerk who has assured me that they are conversant with the requirements and will minute that the Council has received and reviewed the internal audit report for this period – please do so as this is a requirement;
- Due to issues with the Council's previous website provider the Council resolved to change their website. The new website is not fully populated as yet with all the statutory documents in terms of publication requirements, for example, the transparency code. Whilst this is unfortunate I am appreciative that the withdrawal of the hitherto website host has caused some disruption for Council's. Nevertheless, Councils' impacted were given notice and the Council should have acted swiftly to remedy the situation, as other Councils' have done, & dedicate staff resources to populate the new website which I note is active but remains limited in content. I would urge the Council to prioritise this action now and to rectify this matter as soon as possible and ensure the Clerk has sufficient time to remedy this situation;
- It is a legal requirement to publish elected representatives declarations of interest on the website – this requires populating for all members as a matter of urgency;
- VAT can be reclaimed under VAT regulation 126 – the Clerk has assured me that he is conversant with the ability to reclaim VAT payments and will be doing so when there are sufficient invoices on which to reclaim those funds – it is important that this is undertaken as that is money due back to the Council / community.

The Council, together with, and supported by its Clerk, has demonstrated overall good standards of governance and management. I am, therefore, pleased to be able to report that having tested all the aspects of the council's internal controls that I am required to consider, & based on the information made available to me, I am satisfied that, notwithstanding the above comments and advisory comments to aid the Clerk and Council progress further, the internal control objectives were achieved throughout the financial year to a standard adequate to meet the Council's needs. Accordingly, I have completed and signed off the Annual Internal Audit Report as required.

Yours sincerely,



Mrs G Wells  
Internal Auditor to the Council  
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The figures submitted in the Annual Governance and Accountability Return are:

	<b>Year ending 31 March 2023</b>	<b>Year ending 31 March 2024</b>
1. Balances brought forward	23814	18236
2. Annual precept	15170	16687
3. Total other receipts	352	4642
4. Staff costs	3520	3854
5. Loan interest/capital repayments	0	0
6. Total other payments	17580	17851
7. Balances carried forward	18236	17860
8. Total cash and investments	18236	17860
9. Total fixed assets and long-term assets	69946	70167
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 (2023)*. 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>