

Internal Audit Report

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

Name of council:	Wollaston Parish Council		
Name of Internal Auditor:	Julia Tufnail	Date of report:	18 April 2024
Year ending:	31 March 2024	Date audit carried out:	16/18 April 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 would like to thank Suzanne for her time and assistance in completing the internal audit this year. I carried out the internal audit remotely using NCALC checklist. I have done an audit trail on 3 random payments which follow through except are not reported on the minutes. The Standing Orders and Financial Regulations were agreed in February 2024 and the Asset Register and Risk Assessment in March 2024. However, they were part of the Clerk's Report (which should be for report only) rather than a separate agenda item as befitting a proposal of this nature. I have raised this with the Clerk and can see that her CiLCA training will be a worthwhile exercise.

I am concerned that Council does not follow the Transparency Code for Smaller Authorities in spirit and does not publish individual items of expenditure but lumps them together under categories in the Minutes. This is neither transparent nor best practice.

This practice also means that Council is also not following its own Financial Regulations:

5.2. The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices, present the schedule to council. The council / committee shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the council. The approved schedule shall be ruled off and initialled by the Chairman of the Meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.

I would suggest that Council amends its current practice urgently.

S137 payments must be reported separately as they require a special resolution, confirming the benefit to the parish in making the payment.

The Finance meeting minutes of 17 August 2023 are not on the website.

The Councillors' Interests link on the website requires a log in and so are not readily available.

This report should also be forwarded to External Auditors as it forms an explanation of the No response to Objective L.

Yours sincerely

Julia Tufnail

Internal Auditor to the Council
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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	173686	156542
2. Annual precept	83328	89161
3. Total other receipts	21940	58736
4. Staff costs	14823	17775
5. Loan interest/capital repayments	0	0
6. Total other payments	107589	100233
7. Balances carried forward	173686	186431
8. Total cash and investments	156542	186431
9. Total fixed assets and long-term assets	953467	959399
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-2023>.