

# Internal Audit Report

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

Name of council:	Quinton Parish Council		
Name of Internal Auditor:	Kate Houlihan	Date of report:	14 05 2024
Year ending:	31 March 2024	Date audit carried out:	14 05 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:

The audit took place on 14 May 2024. Prior to the audit I reviewed the information available on the council's website. I would like to thank the Clerk for his time during the audit and for supplying me with documents before and after our audit meeting.

A spreadsheet is used to maintain the council's financial records. A comprehensive report detailing income, payments, the bank reconciliation, progress against budget and the updated asset register is supplied to every meeting. This report gives an excellent overview of the council's finances, and I would strongly advise the council to upload this report to the website. This will help to ensure that the council meets statutory requirements under the transparency code.

The budget and precept for 2023/2024 were approved in January 2023, the budget was correctly considered before the precept was agreed.

The council receives annual funding from the Roade windfarm and whilst the Clerk maintains a running account of this money, it would be prudent for any unspent money from the fund to be held in an earmarked reserve. This can then be recorded in the council's accounts for transparency.

VAT is recorded properly, and the Clerk reclaims VAT every six months.

The council carried out a risk assessment during the financial year. But unfortunately, whilst the Clerk carries out regular inspections of the children's play area these are not recorded. The council must keep records of these inspections and ensure that the annual inspection is carried out by a RoSPA approved inspector.

Salaries are correctly paid and appropriate deductions are made.

The council does not maintain a petty cash float, so this area is not covered.

The accounts are correctly maintained on a receipts and payments basis. The council's income and expenditure are less than £25,000 and the council declares itself exempt from external audit. However not all the documents required by the Accounts and Audit Regulations 2015, the Local Audit (Smaller Authorities) Regulations 2015 and the [Transparency Code for Smaller Authorities](#) were published on the council's website at the time of this audit:

These include:

- Certificate of Exemption,
- Annual Internal Audit Report
- Section 1 – Annual Governance Statement
- Section 2 – Accounting Statements
- Analysis of variances
- Bank reconciliation •
- Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015

I have therefore answered NO to assertions L, M, N.

The council should take care to ensure that all documents detailed on page 1 of the Accountability and Governance Return (AGAR) are published within the prescribed timescales.

Having tested all of the objective of internal control as set out in Internal Audit section of the AGAR, through the examination of the evidence and discussions with the Clerk I am satisfied that the Council has met the other requirements and I have signed off the AGAR as required.

This report should be placed on your website and considered at Council.

Yours sincerely,

*K Houlihan*  
Kate Houlihan  
Internal Auditor.

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	15,532	11,858
2. Annual precept	7,500	7,500
3. Total other receipts	5,748	7,800
4. Staff costs	3,702	3,990
5. Loan interest/capital repayments	0	0
6. Total other payments	13,220	9,471
7. Balances carried forward	11,858	13,697
8. Total cash and investments	11,858	13,697
9. Total fixed assets and long-term assets	33,097	33,097
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>.