

# Internal Audit Report

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

Name of council:	Great Addington Parish Council		
Name of Internal Auditor:	Claire Tilley	Date of report:	21-05-21
Year ending:	31 March 2021	Date audit carried out:	21-05-21

*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 a virtual Zoom meeting today with the Clerk & RFO, Dawn Cummins -supported by Cllr Helen Hoier who was the Clerk up until May 2020. I would like to thank them both for their time during the meeting, and preparation in advance of it. I commend the council for continuing their business and moving issues forward, despite the difficulties faced due to the pandemic.

After examining the minutes, policies, due process, governance, book- keeping, risk assessment and asset management, I am satisfied that the council has complied with all but one of relevant objectives on the Internal Report.

K- Unfortunately, although the Exemption certificate was available on the website, there was no declaration made by the council in the minutes. I appreciate that this was an oversight, and I have been assured that it will be included in the Annual Meeting Agenda this year for approval

There are a few recommendations I would like to make to the council, just to fall in line with best practice

- The current insurance schedule is generic with regards to property cover and does not appear to relate to the Asset register, though I am satisfied that cover is adequate. It may be a good idea to provide future companies with an asset register at quote time, to ensure all parties know what is insured- and to include the Insurance value on the Asset register for completeness.

- The budget was discussed prior to setting the precept, although the amount was not shown in the minutes. I was provided with a budget document, which also included monitoring and showed that reserves are appropriate and ringfenced. For full transparency, it is better to minute the budget amount, as well as the agreed precept with a brief explanation when there is any difference between the two. Minuting when budget monitoring occurs would also be desirable.
- I note that the website is currently under redevelopment, which I commend, as currently it is difficult to negotiate. May I also suggest the inclusion of a page on the Transparency Code, where all relevant documents can be accessed or signposted. It possible within the constraints of the content management, it may be an idea to upload the budget document alongside the appropriate minutes.

I wish the new Clerk and Council continued success

Yours sincerely,

A handwritten signature in blue ink that reads "Claire". The signature is written on a light blue rectangular background.

Ms. Claire Tilley  
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 2020</b>	<b>Year ending 31 March 2021</b>
1. Balances brought forward	12,723	12,504
2. Annual precept	8,903	9,231
3. Total other receipts	488	500
4. Staff costs	2,088	2,807
5. Loan interest/capital repayments	970	955
6. Total other payments	6552	7,127
7. Balances carried forward	12,504	11,346
8. Total cash and investments	12,504	11,346
9. Total fixed assets and long-term assets	33,800	33,859
10. Total borrowings	12,226	11,528

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2020)*. 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-2020-2.pdf>