

Internal Audit Report

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

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|---------------------------|------------------------|-------------------------|-------------|
| Name of council: | Sapcote Parish Council | | |
| Name of Internal Auditor: | Claire Tilley | Date of report: | 24 May 2024 |
| Year ending: | 31 March 2024 | Date audit carried out: | 24 May 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 proper practices referred to in Accounts and Audit Regulations are set out in JPAG Practitioners Guide. 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.

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 had a virtual meeting with the Clerk today, which concluded my work auditing the governance and finances of the Parish Council. I thank Josie for her help and co-operation with my queries and requests for paperwork. She was also able to explain any other general queries I had with regards to levels of reserves and Employment policies. Josie is obviously a very experienced Clerk, and the council appear to be proactive and engaged. I note that the council has had a very busy year regarding taking over new responsibilities and dealing with major planning issues. I was very impressed with the financial governance side of the council in particular, and definitely approve of the use of OneDrive and the transparency that comes from the councillors having access to Scribe and viewing the bank accounts

My report is an annex to the Annual Internal Audit report, which forms part of the AGAR. After checking through all the objectives with regards to Governance and the Finances I could agree that all the relevant Internal Control Objectives were achieved and I am happy to sign off the AIAR.

Have comments from the internal audit 2022-2023 been addressed?

| Recommendation 2022-2023 | Comment |
|--|---|
| Ensure Draft minutes updated to final copy minutes | Yes they are now |
| Bank recs should be seen by all councillors | Circulated to all members |
| Agenda items for inclusion in Annual PC meeting | All those that were relevant at the time |
| Keep members of the public names confidential | No names of the public or staff published |
| All policies to be reviewed annually | All mandated ones were |
| Budget figure and precept figure minuted | Yes, In January minutes |

Recommendations for action 2023-2024

| Areas for consideration or improvement | Recommendation |
|---|--|
| Large amount of cash in bank account | Look to invest or open a higher-rate savings account |
| Risk of Documents held at Clerks home | Update RA once the paperwork is moved to Pavilion |

Yours sincerely,



Ms Claire Tilley
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 | 583,490 | 575,528 |
| 2. Annual precept | 113,554 | 124,972 |
| 3. Total other receipts | 18,365 | 46,217 |
| 4. Staff costs | 36,754 | 60,087 |
| 5. Loan interest/capital repayments | 8042 | 8042 |
| 6. Total other payments | 95,085 | 119,384 |
| 7. Balances carried forward | 575,528 | 559,203 |
| 8. Total cash and investments | 575,528 | 559,203 |
| 9. Total fixed assets and long-term assets | 8,196 | 21,340 |
| 10. Total borrowings | 132,796 | 130,137 |