

Internal Audit Report

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

Name of council:	Overstone Parish Council		
Name of Internal Auditor:	Katrina Jones	Date of report:	17/05/2024
Year ending:	31 March 2024	Date audit carried out:	15/05/2024

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:

I would like to thank the Clerk, Lorna McGoldrick, for her assistance with the audit, supplying documents requested, answering queries and meeting with me.

I have conducted a thorough review of the documents on the parish council website and those supplied to me on request. I have 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 such as the display of information including the exercise of public rights.

By examination of these documents and records including spot checking of invoices, plus further questioning, I tested aspects of the Council's internal controls as required for the Internal Audit section of the Annual Return Form 3. I am satisfied that effective policies and procedures together with systems to manage, monitor and control the Council's business are in place. Accordingly, I was able to answer 'yes' to all relevant questions and have signed the Return as required.

Lorna is clearly an experienced and knowledgeable Clerk with a good understanding of the necessary internal control procedure and has put her CiLCA training to good use in ensuring the Council's compliance. As a result I am satisfied that all internal control objectives have been met.

Yours sincerely,

Katrina Jones

Mrs Katrina Jones
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	38,522	28,308
2. Annual precept	46,710	68,538
3. Total other receipts	12,840	3,655
4. Staff costs	18,396	21,431
5. Loan interest/capital repayments	21,109	20,814
6. Total other payments	30,240	25,212
7. Balances carried forward	28,308	33,044
8. Total cash and investments	28,308	33,044
9. Total fixed assets and long-term assets	350,381	345,390
10. Total borrowings	307,381	295,030

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>.