Northants CALC IAS

Internal Audit Report

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

Name of council:	Bugbrooke Parish Council		
Name of Internal Auditor:	Mrs TL Charteress	Date of report:	10th April 2025
Year ending:	31 March 2025	Date audit carried out:	10th April 2025

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 Chair of the Council:

Thank you very much to the Parish Clerk for supplying me with the information I requested to carry out this Annual Internal Audit. I have spoken with the Clerk on the telephone, in person via Teams, and conducted the audit remotely.

Results

The work completed is identified in the table below and action required is highlighted:

Area of Work	Observations/Points
Adoption of Policies	A review of policies was conducted at the May 2024 council meeting and Members resolved to re-adopt the list on mass. The new Financial Regulations were adopted at the council meeting in July 2024 following scrutiny and amendment
Accounting Records	The Accounts were properly maintained during the financial year and the correct carry forward figure was rolled over
Asset Register	The Asset Register appears to be an accurate reflection of council owned assets
Bank reconciliations	Bank reconciliations were reviewed and confirmed to be done on a regular basis with due care and attention and were reported to the council monthly. Bank balances were confirmed to statements as at the 31st March 2025

Budget	The Council followed due process for the agreement of the Budget of £144,915.00 at the full Council meeting in December 2024. Progress against the budget was regularly monitored during the financial year
Earmarked Reserves	Reserves were earmarked in April 2024 with £50,000.00 in long term savings and £55,564 in a reserve account for large projects. Reserves were reviewed again in February 2025 and resolved that they were in line with the Council's plan
Insurance	Insurance cover was reviewed in September 2024, and it was resolved to set up a 3-year insurance agreement with Zurich. Insurance cover appears to be adequate
Internal Control	Internal Control was found to be regular with reports being made to full council and Minuted. The Internal Control policy was re-adopted at the May meeting
Minutes of Meetings	Minutes were reviewed and were found to be in good order
PAYE	Payments to HMRC are being paid monthly and are following correct procedures. PAYE processes were examined; the council contracts out this process. **NOTE:** there is no evidence in the Minutes of any staff appraisal or pay review for the Clerk
Payments	Payments followed due process and have been accounted for correctly with Powers and Duties listed in the Minutes. The Council has adopted the General Power of Competence. No unexpected payments were identified
Precept	The Council followed the correct procedure to agree the Precept Demand of £144,915.00 at the December 2024 full Council meeting
Risk Assessments	The Council's Risk Assessments were approved at the Annual Parish Council meeting in May 2024
VAT return	The balance as at 31st March 2024. No errors were observed. VAT was claimed twice throughout the year in October 2024 & February 2025
Website	The website was reviewed and found to be in good order
Year-end procedures	Year-end procedures were carried out in the correct manner

Summary

In my opinion the Council's books and records are in very good order and follow due process in all elements.
I wish the Council a very successful 2025/2026.

Yours sincerely,

Tina Charteress

Mrs TL Charteress
Internal Auditor to the Council
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The figures submitted in the Annual Governance and Accountability Return are:

	Year ending 31 March 2024	**Year ending 31 March 2025**
1. Balances brought forward	165,796	157,443
2. Annual precept	120,270	129,189
3. Total other receipts	28,192	15,792
4. Staff costs	24,520	33,187
5. Loan interest/capital repayments	0	0
6. Total other payments	132,295	147,652
7. Balances carried forward	157,443	121,586
8. Total cash and investments	157,443	121,586
9. Total fixed assets and long-term assets	432,551	486,169
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 (2024)*. 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://northantscalc.gov.uk/practitioners-guide.