

Internal Audit Report

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

Name of council:	Aynho Parish Council		
Name of Internal Auditor:	Kirsty Buttle	Date of report:	01/06/2023
Year ending:	31 March 2023	Date audit carried out:	21/04 and 01/06/2023

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 completed the year-end audit review of Aynho Parish Council remotely on 21st April and 1st June 2023.

I reviewed the information available on https://www.aynho.org/parish_council/. I was able to access the majority of documents on the website and was provided additional documents by e-mail. By examination of these documents and records plus further questioning, I tested aspects of the Council's internal controls as required for the Internal Audit section of the Annual Return.

I would like to point out the following issues which do not affect the responses made in the AGAR Annual Internal Audit Report but should be considered for the new financial year:

- I note that due to personal circumstances there have been numerous occasions when the Clerk has been unable to provide minutes to the council before the next meeting and in one case they are not received for over 2 months from the meeting. Whilst the council is not required to comply with the transparency code for councils under £25k which requires councils to publish draft minutes within 1 month of the meeting it is good practice to do so. A delay in the minutes being provided to councillors is likely to either delay actions taking place or risk an action incorrectly having taken place due to a misunderstanding at the meeting that councillors were not able to flag up before the action had taken place due to the minutes being provided so long after the meeting. Support should be provided to the Clerk in such situations to ensure business continuity and this is likely to be something you have considered as part of your Risk Assessment.

- There are a number of occasions where a decision to spend has been made despite there being no specific agenda item proposing to do so – see Local Government Act 1972, Sch 12, para 10(2)(b).

I have ticked 'not covered' to statements F, K, and L of the Internal Audit Report for the following reasons:

- The Parish Council do not hold any petty cash.
- The Parish Council did not declare itself as exempt from external audit in 2021/22.
- The Transparency Code for Smaller Authorities does not apply to Aynho Parish Council currently due to income/expenditure being over £25k.

I have ticked 'yes' to statement C on the basis that it was minuted within the financial year that you have reviewed and adopted your Risk Assessment however I could not find a copy of a 2023 adopted Risk Assessment on the website and I did not receive a copy by e-mail as requested so I cannot verify that the content of the Risk Assessment is 'appropriate'. I have reviewed the most recent Risk Assessment published on the website (2021) and can confirm that this does appear to be appropriate.

I have ticked 'not applicable' to statement O as Aynho Parish Council is not a trustee.

Yours sincerely,



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

	Year ending 31 March 2022	Year ending 31 March 2023
1. Balances brought forward	20554	27716
2. Annual precept	26698	27765
3. Total other receipts	7538	8724
4. Staff costs	6277	6518
5. Loan interest/capital repayments	2080	2080
6. Total other payments	18707	26756
7. Balances carried forward	27716	28851
8. Total cash and investments	27116	28851
9. Total fixed assets and long-term assets	138157	146123
10. Total borrowings	6240	4160

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2022)*. 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-2022-8.pdf>