

Northants CALC IAS

End of year Internal Audit Report (to be read in conjunction with Annual Internal Audit report in the Annual Governance and Accountability return

Name of council:	Gayton Parish Council		
Name of Internal Auditor:	Dianne Isaacs	Date of report:	08/05/22
Year ending:	31/03/22	Date audit carried out:	04/05/22

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 staff and management and not left for internal audit. It would be incorrect to view internal audit as a detailed inspection of all records and transactions of a council to detect error or fraud. The 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.

Viv Hartley is the Parish Clerk and R.F.O. to the Council

Cllr Hamilton was appointed the Chairman of Gayton Parish Council at the Council meeting in May, 2021

External audit 2020/2021

Gayton Parish Council had Gross income/expenditure less than £25,000 and was exempt from External audit. The Clerk completed the Certificate of Exemption and published all the relevant end of year documents on the web site.

Interim Internal audit report 16/02/22

Evidence of Internal control

Review of effectiveness.

Regulation 6 of the Accounts and Audit regulations 2015 requires the Council to conduct each financial year a review of the effectiveness of their system of Internal control

Cllr Johnstone resigned from the Council in December 2021 and the Council is in the process of nominating a new Internal controller.

It is essential that the Council has proper arrangements for safeguarding their resources.

Due Process

Standing orders , Financial regulations, Annual risk assessment and Code of Conduct.

The Council has adopted their Standing orders ,Financial regulations , Risk assessment and their Code of Conduct at the May meeting of the Council .

Insurance

The Council reviewed their insurance and agreed their cover with BHIB at a competitive cost of **£886.21**

Assets

Assets were purchased during the year and are included on the Council's asset register.

Total assets at 31.03.2022 - £ 39,863

Minutes of Council meetings

I checked the minutes to March 2022 and there were no unusual activities that came to my attention.

Data Protection - GDPR

The Council have appointed a Data Protection officer through the services obtained by Ncalc
The Clerk has paid the annual fee of £35.00 to ICO and are GDPR compliant.
Details are published on the Council's web site.

Staff costs

The Clerk is the sole employee of the Parish Council
The Clerks salary is paid quarterly and recorded correctly in the Receipts and Payments ledger and in the minutes of Council meetings .

Total staff costs £4863

V.A.T

VAT £ 1219.18 received from HMRC for 2020/21 financial year is recorded in the Receipts of the Council in June 2021.

Precept/Budgets

The Council 's annual precept of **£20,000** resulted from a budgetary process.
The precept is recorded correctly in the Receipts ledger .

Accounts ledger/ Bank accounts

The Clerk has prepared the accounts on the correct accounting procedure – Receipts and Payments.
I carried out an audit trail on several receipts and payment transactions throughout the year and payments were minuted and agreed to the Bank statements.

There were no balancing entries between the accounts and bank statements at 31st March 2022.

Total cash and investments at 31.03.2022 - £13,318

Internet Banking

The Clerk has registered for on line banking and the process of registration of authorised signatories is still in progress.

Bank reconciliation is a key tool for management as it identifies available funds at a specific time . The year end bank reconcillation if particularly important as it proves the total cash and investments held by the Council . It is important that the Clerk has access to Bank statements on a regular basis and particularly at year end

Publication requirements

The Council must approve Section 1 of the AGAR before Section 2 and both must be minuted and published on the Council's website before 1st July 2022

Documents (RE. AGAR Return form 2) are required by The Accounts and Audits regulations 2015 and the Transparency code for smaller authorities.

Dianne Isaacs -Internal Auditor Ncalc

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The figures submitted in the Annual Governance and Accountability return 2021/2022

	Year ending 31 March 2021	Year ending 31 March 2022
1. Balances brought forward	9809	11572
2. Annual precept	19000	20000
3. Total other receipts	2262	1457
4. Staff costs	4844	4863
5. Loan interest/capital repayments	Nil	Nil
6. Total other payments	14655	14848
7. Balances carried forward	11572	13318
8. Total cash and investments	11572	13318
9. Total fixed assets and long term assets	39683	39863
10. Total borrowings	Nil	Nil

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.pdf>