

## Internal Audit Report

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

Name of council:	Blaby Parish Council		
Name of Internal Auditor:	Hayley Cawthorne	Date of report:	10/06/2023
Year ending:	31 March 2023	Date audit carried out:	10/05/2023

*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 proper practices referred to in Accounts and Audit Regulations are set out in JPAG Practitioners Guide 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.*

***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 carried out the year-end audit review of Blaby Parish Council on the 10<sup>th</sup> May 2023. This year's audit was carried out remotely using Zoom.

Prior to this date, Vicki Jepson, the parish clerk, had kindly forwarded me the end of year accounts and various other documents. The completed AGAR Form 3 was forwarded after the year end accounts had been completed, on the 1<sup>st</sup> June.

I reviewed the information available on [www.blabyparishcouncil.org](http://www.blabyparishcouncil.org) before the remote meeting and I was able to access a well ordered and detailed set of documents and records.

By examination of these documents and records plus further queries, with the clerk during our remote meeting, I tested aspects of the Council's internal controls as required for the Internal Audit section of the Annual Governance and Accountability Return (AGAR), and notwithstanding the items noted below, I am satisfied that effective policies and procedures together with systems to manage, monitor and control the Council's business are in place. As a result, I was able to answer 'Yes' to all the relevant questions on page four of the AGAR and have signed as required.

**Have comments from the internal audit 2021-2022 been addressed?**

<b>Recommendation 2021-2022</b>	<b>Comment</b>
None raised	

**Areas in the 2022-2023 AGAR Annual Internal Audit Report for which Yes or N/A cannot be ticked**

	<b>Yes/No/Na</b>	<b>Reason</b>
<b>A</b>	Yes	
<b>B</b>	Yes	
<b>C</b>	Yes	
<b>D</b>	Yes	
<b>E</b>	Yes	
<b>F</b>	Yes	
<b>G</b>	Yes	
<b>H</b>	Yes	
<b>I</b>	Yes	
<b>J</b>	Yes	
<b>K</b>	<b>Not covered</b>	<b>Not exempt</b>
<b>L</b>	Yes	
<b>M</b>	Yes	
<b>N</b>	Yes	
<b>O</b>	N/A	

**Recommendations for action 2022-2023**

<b>Recommendation</b>
1. It is recommended that the bank balances are reported in the minutes more frequently e.g. every quarter/ every month
2. It is recommended that the bank reconciliations are recorded more frequently. A reconciliation is carried out every month so it would be worthwhile noting this each month in your minutes, for transparency and for audit purposes
3. It is recommended that the Parish Council consider writing an online banking policy that links with their financial regulations and banking functions
4. It is recommended that there is a regular agenda item to report on asset checks, for audit trail purposes
5. It is suggested that the Parish Council carry out an audit of where associated documents for all assets are e.g. deeds
6. It is recommended that the agreed dates for the Exercise of Public Rights, is minuted

Yours sincerely,

**Hayley Cawthorne**

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

	<b>Year ending 31 March 2022</b>	<b>Year ending 31 March 2023</b>
1. Balances brought forward	557,595	634,572
2. Annual precept	336,344	346,344
3. Total other receipts	103,892	92,979
4. Staff costs	163,806	215,666
5. Loan interest/capital repayments	31,439	31,439
6. Total other payments	168,014	196,983
7. Balances carried forward	634,572	629,807
8. Total cash and investments	628,102	626,627
9. Total fixed assets and long-term assets	1243,496	1286,725
10. Total borrowings	375,716	361,967