

Internal Audit Report

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

Name of council:	Thorpe Malsor Parish Council		
Name of Internal Auditor:	Julia Tufnail	Date of report:	22.04.2025
Year ending:	31 March 2025	Date audit carried out:	22.04.2025

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 Chairman of the Council:

Firstly, I would like to thank Helen for her help in conducting the Internal Audit for 2024-5. I have conducted the Internal Audit following the NCALC IA sheets and the internal control objectives of the AGAR. I have done an audit test on all 5 of your payments which follow through correctly. I have also scrutinised all the Financial Reviews. A very well-run council, in my opinion. It is noted that Council will be exempting itself again this year based on the draft figures set out in Section 2.

I note that you will be reviewing and adopting the newly issued Financial Regulations at your May meeting which will bring Council's documentation up to date.

I see that the VAT was reclaimed this year, but I can understand if it is not done again until next year.

Council's insurance cover was reviewed and deemed to be adequate within the year in line with Council's assets.

It is also noted that Council has reduced its precept again for next year, despite ongoing projects. Money could be put into Project Ear Marked Reserves to take money out of general reserves for the Audit.

I would err on the side of caution when bringing general reserves down to such a low level as the balance is very fine with such a small council and you may, one day, wish to employ a clerk, for example. By lowering your reserves and your precept at the same time you create less available general reserves for audit purposes, which is expected to be 1 year's worth.

Yours sincerely

Julia Tufnail
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	6883	6692
2. Annual precept	3145	2500
3. Total other receipts	8	587
4. Staff costs	0	0
5. Loan interest/capital repayments	0	0
6. Total other payments	3344	686
7. Balances carried forward	6692	9093
8. Total cash and investments	6692	9093
9. Total fixed assets and long-term assets	22152	22152
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>.