

Annual Internal Audit Report

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

Name of council:	Oundle Town Council		
Name of Internal Auditor:	Mrs TL Charteress	Date of report:	25 th April 2022
Year ending:	31 March 2022	Date audit carried out:	20 th April 2022

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 Mayor of the Council:

Thank you very much to the Finance Officer and Town Clerk for supplying me with the information I requested to carry out this Annual Internal 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	Key policies were adopted at the Annual Town Council meeting in May
Accounting Records	The Accounts were properly maintained during the financial year and the correct carry forward figure was rolled over. Debtors & Creditors were scrutinised with no areas of concern
Asset Register	The Asset Register has been re-worked and is an accurate reflection of council owned assets
Bank reconciliations	Bank reconciliations were reviewed and confirmed to be done on a monthly basis with due care and attention. Bank balances were confirmed to statements as at the 31 st March 2022.
Budget	The Town Council has followed due process for the agreement of the Budget
Earmarked Reserves	Earmarked reserves formed part of the budgeting process and are clearly detailed

Insurance	The Annual Insurance payment was agreed at the January council meeting and forms part of a three-year term
Internal Control	Internal Control has been regularly completed, minuted, and follows due process.
Minutes of Meetings	Minutes were reviewed. NOTE: not all Town Council Minutes on the website contain a list of approved payments
PAYE	Payments to HMRC are being paid monthly and are following correct procedures
Precept	Due process was followed to agree the Precept Demand
Risk Assessments	The Town Council's Risk Assessments were approved at the March 2022 Town Council meeting
Trial Balance	The Trial balance was reviewed. Balances were confirmed to bank account statements for the year end and VAT was verified.
VAT return	The balance as at 31 st March 2022. No errors were observed.

Summary

In my opinion the Council is keeping their books and records in very good order and is following due process in all elements.

I wish the Town Council a very successful 2022/2023 and look forward to returning later in the year to carry out the Interim Internal Audit.

Yours sincerely,

Tina Charteress



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

	Year ending 31 March 2021	Year ending 31 March 2022
1. Balances brought forward	386,057	352,240
2. Annual precept	494,506	496,893
3. Total other receipts	165,415	129,615
4. Staff costs	242,115	207,434
5. Loan interest/capital repayments	22,793	22,793
6. Total other payments	428,830	302,790
7. Balances carried forward	352,240	445,731
8. Total cash and investments	483,965	463,050
9. Total fixed assets and long-term assets	2,657,837	2,662,110
10. Total borrowings	419,509	415,084

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-2020-2.pdf>