

## Internal Audit Report

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

Name of council:	Belvoir Parish Council		
Name of Internal Auditor:	Martin Cooke	Date of report:	19 <sup>th</sup> April 2023
Year ending:	31 March 2023	Date audit carried out:	23 <sup>rd</sup> March & 18 <sup>th</sup> April 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:

This internal Audit report was compiled following several independent tests / checks being undertaken using various financial records, documents, minutes etc both through the official website and during an audit meeting with your Clerk Jo Longford-Yates on the 18<sup>th</sup> April 2023.

The following topics were reviewed against our standard checklist format:

Observations from last year's Internal Audit:

- There were no issues outstanding from last year's internal audit.

General Points:

- The Council held its Parish Annual meeting in May 2022 and elected the Chair as required.

Accounting records:

- All details were recorded in the electronic financial ledger and appeared up to date and in order.
- Bank balance was noted at each meeting and the bank account was reconciled regularly against statements.

Financial requirements:

- Standing Orders & Financial Regulations had been reviewed and copies were on the website.
- Payments in the ledger were generally supported by invoices and minuted and authorised at the relevant PC meetings,
- There was evidence of internal control
- VAT had been reclaimed with a further claim to be looked at any time now.
- There were no specific S137 expenditure items recorded in the minutes.

#### Risk Management:

- The Risk Assessment had been reviewed in April 2022 and was on the agenda for review again in May 2023.
- Scanning the minutes there didn't appear to be any unusual activity.
- There appeared to be appropriate Insurance cover, which had been reviewed and was due for renewal May 2023.
- Regular risk assessments were carried out and noted on street furniture.

#### Precept & Budget

- The annual Budget and Precept were approved November 2022 and a copy displayed on the website.
- Progress against the budget is monitored and there were currently no specific projects planned.

#### Income:

- The Council receives no income from Cemeteries, Allotments or Hall Hire.

#### Petty Cash

- No petty cash is held.

#### Salaries / Employees:

- The Clerk is the only employee, has a contract of employment but has opted out of the pension.
- Salary is reviewed and approved in May.

#### Asset Control:

- Fully costed Asset Register on website, no additions or deletions recorded.
- There are no Deeds or land registrations.

#### Accounting Statements:

- On the sample payments taken there was evidence of control with all being approved in Council, minuted and paid accordingly.
- The Yearend accounts had been prepared, bank statements and ledgers reconciled, these will be signed off at next PC meeting.
- This year's sections 1 & 2 of the Annual Return had been drafted for signing at the next PC meeting.

#### Exemption:

- Certificate published as required.

#### Transparency:

- The following were displayed / published as required
  - Expenditure over £100, End of year accounts / Accounting Statement, Annual Governance Statement, Internal Audit report & Asset Register.
- Agendas & meeting papers are published as required and draft minutes were generally issued within one month.
- The PC website appears to be regularly updated.

#### Exercise of Public Rights:

- "The Notice of Public Rights" was issued and displayed on the website as required.

#### AGAR Publication for prior year:

- The AGAR Annual Governance & Accounting Statement documents were displayed as required.

#### Trust Funds:

- Clerk confirmed there were no Trust funds.

#### Miscellaneous:

- There was no evidence confirming the previous internal audit had been reviewed. ***I recommend the Internal Audit is minuted and any action required is noted.***
- Clerk confirmed electronic files are backed up weekly.
- Members interests were displayed on the Melton BC website.
- There is currently no Equal Opportunity Policy in place. ***I recommend this is reviewed and implemented.***

- Complaints Procedure on website.
- Minutes were initialled by page and signed by the chair at each meeting.
- Clerk confirmed there were no sub-committees.

Cemeteries:

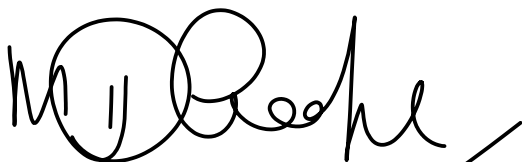
- The Council were responsible for the open cemetery which is not part of the church.
- The Clerk manages the green slips, income, and expenditure, which is recorded in the council ledger, albeit most slips are sorted by the funeral director.
- Cemetery policy is in place but not reviewed since 2020. ***I recommend this is reviewed / updated.***
- The Burial plan and register of burials was viewed and it was noted that both needed updating to ensure both documents tie together and show consistency t. ***I recommend this is updated and converted to an electronic document as soon as possible.***
- Cemetery costs are displayed on the website.

Annual returns:

- The annual return section 2 details (Y/E 31<sup>st</sup> March 2023) are set out at the end of this document.

In conclusion, I would like to thank the Clerk Jo for her support during the auditing process and I present this report as my Internal Audit findings.

Yours sincerely,



Martin Cooke (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	£2,514	£2,165
2. Annual precept	£13,500	£19,000
3. Total other receipts	£1,903	£2,076
4. Staff costs	£4,777	£5,092
5. Loan interest/capital repayments	0	0
6. Total other payments	£13,139	£13,227
7. Balances carried forward	£2,165	£4,922
8. Total cash and investments	£2,165	£4,922
9. Total fixed assets and long-term assets	£57,000	£57,000
10. Total borrowings		