

Internal Audit Report

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

Name of council:	Hargrave Parish Council		
Name of Internal Auditor:	Caroline Holgate	Date of report:	28/04/2025
Year ending:	31 March 2025	Date audit carried out:	28/04/2025

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 Chair of the Council:

I met with Sarah Gayton, the Clerk and RFO, on 28th April 2025, to carry out the year end audit of the Council. Prior to meeting I was able to review minutes and other documents on the website, and the Clerk has provided me with information as requested for audit purposes.

The work completed is identified in the table below. Please note that where points appear in bold, the council is required to take appropriate action.

Watch the page numbering of your minutes

Area of Work	Observations/Points
Audit – Internal and External	The Internal Audit Report was received and noted by Council at the Annual Meeting. The Annual Governance Return Section 1 was resolved followed by the Accounting Statements Section 2. The Council resolved that it met the qualifying criteria for exemption and the Certificate of Exemption was signed. The dates of electors rights to inspect were noted for clarity.
AGAR Publication Requirements	All relevant documents have been published on the parish council website before 1 st July.
Adoption of Policies	Standing Orders were reviewed and approved at the Annual Meeting. The new model Financial Regulations were adopted at the July meeting.
Accounting Records	The Accounts were properly maintained during the financial year using the correct accounting method. The cashbook is

	clear and easy to understand. Payments made are reported to the Council at each meeting and legal powers are identified in the minutes. There is good oversight of the Earmarked Reserves.
Asset Register	The Asset Register is up to date with no changes from last year.
Bank reconciliations	Bank balances were confirmed to statements as at the 31 st March 2025. Bank balances are reported by the Clerk at each meeting.
Budget	There is evidence that the Council review the budget and a budgetary process is in place. A budget was prepared and approved by the Council in November. Budget figure for 2025/26 was approved at £8,745. The budget figure should be minuted before the approval of the precept.
Employees	The Clerk has a contract in place. Payroll is managed by the Clerk using Basic Tools. PAYE/NI contributions are up to date. The Clerks salary is approved by the Council, and an appraisal process is in place. Pension provision has been opted out with the Pension Regulator.
Exercise of Public Rights	The Council have published the Exercise of Public Rights which included the first 10 working days of July.
Insurance	An up to date insurance policy is in place with Zurich. Premium £264.00.
Land and Assets	A review of the inventory of land and assets was undertaken at the Annual Meeting.
Minutes of Meetings	Minutes are well presented and do not reveal an unusual activity.
Precept	2025/26 precept set at £8,550, agreed and minuted at the November meeting.
Risk Assessments	The Council have reviewed their Risk Assessment which was approved at their July meeting.
S137	The Council are aware of the limits of expenditure under S137.
Transparency Code	The Council is subject to the requirements of the Transparency Code, and all expected information is published on the website, available as a separate document, or within Council minutes.
VAT	VAT has been reclaimed and received.

Having reviewed the information available to me, I am satisfied that effective systems of control are in place and have signed the 2024/25 AGAR accordingly.

Yours sincerely,



Caroline Holgate
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	18,974	15,968
2. Annual precept	7,500	8,400
3. Total other receipts	3,868	2,028
4. Staff costs	4,478	4,190
5. Loan interest/capital repayments	0	0
6. Total other payments	9,896	4,720
7. Balances carried forward	15,968	17,486
8. Total cash and investments	15,967	17,485
9. Total fixed assets and long-term assets	13,699	13,699
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://northantscal.gov.uk/practitioners-guide>.