

Internal Audit Report

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

Name of council:	Barnwell Parish Council		
Name of Internal Auditor:	Julia Tufnail	Date of report:	10 April 2024
Year ending:	31 March 2024	Date audit carried out:	9&10 April 2024

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:

I would like to thank Nicki for her time and assistance during this year's audit which was conducted remotely using the NCALC checklist. I can once again confirm that matters appear to be in good order and that your Internal Controls are robust.

I note both from your minutes and Nicki that there has been a question raised about the personal purchase of goods and services via a card which are reimbursed at a later date. I would point out that this is contrary to your Financial Regulations which state:

6.18. Any Debit Card issued for use will be specifically restricted to the Clerk and will also be restricted to a single transaction maximum value of £500 unless authorised by council or finance committee in writing before any order is placed.

6.19. A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the council. Transactions and purchases made will be reported to the council and authority for topping-up shall be at the discretion of the council.

*6.20. Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the Clerk and shall be subject to automatic payment in full at each month-end. **Personal credit or debit cards of members or staff shall not be used under any circumstances.***

6.21. The council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the Clerk (for example for postage or minor stationery items) shall be refunded on a regular basis, at least quarterly.

Council has, therefore, been acting erroneously and must either obtain a credit card or debit card for the council. It is noted that you bank with Barclays so a Barclaycard may be the answer, set up as prescribed by your Fin Regs.

Yours sincerely

Julia Tufnail
Internal Auditor to the Council
07309 719764

The figures submitted in the Annual Governance and Accountability Return are:

	Year ending 31 March 2023	Year ending 31 March 2024
1. Balances brought forward	32509	26860
2. Annual precept	10785	11150
3. Total other receipts	18079	8950
4. Staff costs	3905	4371
5. Loan interest/capital repayments	1095	1095
6. Total other payments	29513	9753
7. Balances carried forward	26860	31741
8. Total cash and investments	26860	31741
9. Total fixed assets and long-term assets	68849	75842
10. Total borrowings	6669	5206

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2023)*. 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/practitioners-guide-2023>.