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Sue Grant
Colsterworth Parish Council

Friday 9th April 2021

Colsterworth Parish Council – Internal Audit Report April 2021

Dear Sue,

I have carried out the Internal Audit for Colsterworth Parish Council in accordance with the procedure as set out in the Joint Practitioners Advisory Group publication: Governance and Accountability for Local Councils.

I attach the AGAR IAR and my report with recommendations.

Please accept this as an invoice for a fee of £100.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Terry Brown', with a long horizontal flourish extending to the right.

Terry Brown

Internal Audit Report

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

| | | | |
|---------------------------|--|-------------------------|------------|
| Name of council: | Colsterworth and District Parish Council | | |
| Name of Internal Auditor: | Terry Brown | Date of report: | 9/4/2021 |
| Year ending: | 31 March 2021 | Date audit carried out: | April 2021 |

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 staff and management and not left for internal audit.

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:

In accordance with the terms of my engagement I have undertaken a review of Colsterworth and District Parish Council's records, policies and procedures for the financial year ending 31st March 2021 and I enclose a completed and signed Annual Internal Audit Report for the AGAR 2020/21.

The internal audit exercise involves the testing of the evidence of and evidence of compliance with the 15 statements contained in the Annual Internal Audit Report of the Annual Governance and Accountability Return (AGAR)

The statements refer to:

- A. Maintenance of proper financial records
- B. Compliance with the Council's Standing Orders, Financial Regulations and proper accounting for VAT
- C. Adequacy of risk management arrangements
- D. Effective budgeting and budgetary control
- E. Identification of income due and timely collection and banking of such monies
- F. Proper administration of petty cash (where appropriate)
- G. Proper administration of salaries of employees and expenses paid
- H. Maintenance of an accurate and reliable asset register
- I. The completion of regular bank reconciliations
- J. The correct basis and accurate preparation of year-end accounts
- K. Whether the Council has met its responsibilities as a trustee (where appropriate)
- L. Correctly applying the exercise of public rights during the previous year period

There continues to be clear evidence of finance and governance of procedures that should provide parishioners with confidence in the administration of their Parish Council. Internal controls are adequate and effective and have been robustly adjusted to deal with the consequences of the Covid19 situation. Minutes of both the Council and committees are detailed and yet specific to the agenda item.

The new website has been set up and conforms to the reporting requirements for Transparency.

This report is based on the evidence made available to me. 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. Consequently, the report is limited to those matters set out.

Yours sincerely,



Terry Brown
Internal Auditor to Colsterworth and District Parish Council
01476 516366

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

| | Year ending 31 March 2020 | Year ending 31 March 2021 |
|--|--------------------------------------|--------------------------------------|
| 1. Balances brought forward | 51769 | 60146 |
| 2. Annual precept | 35671 | 36522 |
| 3. Total other receipts | 18262 | 16910 |
| 4. Staff costs | 16760 | 17533 |
| 5. Loan interest/capital repayments | 0 | 0 |
| 6. Total other payments | 28795 | 26938 |
| 7. Balances carried forward | 60146 | 69107 |
| 8. Total cash and investments | 60146 | 69107 |
| 9. Total fixed assets and long-term assets | 101826 | 102542 |
| 10. Total borrowings | 0 | 0 |