

Internal Audit Report

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

Name of council:	Newnham Parish Council		
Name of Internal Auditor:	Fiona Young	Date of report:	05/06/2025
Year ending:	31 March 2025	Date audit carried out:	Remotely May / June 2025 plus phone call 5 th June 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.
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 have conducted a review of the documents on the parish council website plus those supplied by the Clerk, Mr Kevin Carr, I would like to thank Mr Carr for his help with the audit.

I have reviewed all the payments, receipts, minutes, bank statements and bank reconciliation statements, the asset register and other documents available on the website. The website is easy to use and the documents were easy to find.

It was necessary to mark "No" for internal control objective G. The minutes indicate some disruptions in the administration of the council over the past year. The previous permanent Clerk left early in the financial year, and after two recruitment attempts, the current Clerk was appointed in December. The current Clerk and Responsible Finance Officer is working on a self-employed basis. It has been advised that this arrangement should be changed promptly as it is not appropriate. Even if the role of Clerk & RFO is interim or temporary, it must still be an employed position. Additional information on this can be found on the direct.gov website.

All other internal control objectives have been met satisfactorily.

Please observe the following points:

- Several minutes displayed on the council website are in draft form. Ensure that once a set of minutes is approved, they are updated on the website.
- In the July meeting, a reference is made to an 'informal meeting to review councillors' roles and responsibilities'. It is recommended that all discussions take place within a formal council meeting.

- In the September meeting, the appointment of a Clerk was approved during a 'Closed Session', but the correct resolution to close the meeting to the public and press was not passed.
- The minutes lack detail regarding the budget and precept amounts. First, approve and record the total budget. Then, discuss and document how the council will finance it, including the agreed precept amount.

This past year has been challenging for the council. Some councillors have put in significant effort to ensure that the council continues to function effectively, which is noted.

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 above.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Fiona Young', written in a cursive style.

Ms Fiona Young
Internal Auditor, Ncalc IAS
TEL: 07393205249

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	35018	36218
2. Annual precept	34722	34722
3. Total other receipts	10162	9665
4. Staff costs	4692	2175
5. Loan interest/capital repayments	0	0
6. Total other payments	38992	30522
7. Balances carried forward	36218	47909
8. Total cash and investments	36218	47909
9. Total fixed assets and long-term assets	45440	45472
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://northantscalc.gov.uk/practitioners-guide>.