

Internal Audit Report

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

Name of council:	Belton in Rutland Parish Council		
Name of Internal Auditor:	Julie Moss	Date of report:	16 th May 2024
Year ending:	31 March 2024	Date audit carried out:	March/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 proper practices referred to in Accounts and Audit Regulations are set out in JPAG Practitioners Guide. 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 report was compiled in May 2024 and included inspection of:

- the council website
- documents and other information provided by the Clerk to the Council, Sophie Turner at a meeting.

I have examined council business, including policies, agendas and minutes, accounting and financial statements and other relevant documents needed to complete this audit.

Comments from the internal audit 2022-2023

Recommendation 2022-2023	Comment
VAT to be reclaimed.	This has now been done.
A contract between the council and the clerk to be drawn up and signed with some urgency.	Done but the Clerk should be an employee of a Council and on PAYE, not self employed (see point 4 below).
Cemetery policy to be reviewed and updated.	Will be done at the May 2024 Annual Parish Council meeting and put on website.
Burial plan and register of burials to be updated and converted to an electronic document as soon as possible.	Burial plan and register of burials is now up to date and work has started to convert the plan to an electronic version.

These are the areas I have found where actions are required or are recommended:

1. It was noted that Agendas do not have the signature of the Clerk or date of issue on them. This makes it difficult to prove compliance with the three days advance notice required by law. The Clerk has already been advised to add a signature and the date of issue starting with the Agenda for the next meeting.
2. The Agenda for the Annual Meeting of the Parish Council should follow the list in Standing Orders as appropriate (see paragraph 5j).
3. Once a draft budget has been circulated and considered by councillors, any amendments can be made and a final figure reached. This figure should be approved by resolution by full council and then the precept figure can be agreed and approved. Both the budget and precept figures should be minuted.
4. In February 2011 HMRC confirmed that a Clerk/RFO's tax and NIC must be paid by a council employer under PAYE. This is because a Clerk/RFO is an office holder. Even if a Clerk/RFO is self employed, emoluments received, however described, is subject to PAYE. HMRC provide a free software tool to perform most payroll tasks, including working out the tax and National Insurance and sending this information to HMRC.
[Download HMRC's Basic PAYE Tools - GOV.UK \(www.gov.uk\)](http://www.gov.uk)
5. Every Parish Council in LRALC area should have, and are advised to use, a .gov.uk domain name for their websites and email communications. Please use this link to find out more about the Parish Council Domains Helper Service [News | Leicestershire & Rutland Association of Local Councils \(leicestershireandrutlandalc.gov.uk\)](http://www.leicestershireandrutlandalc.gov.uk)

Conclusion

Whilst there are some weaknesses as detailed above, I was able to see first hand that Sophie is keen to rectify errors and take on board suggestions for improvements.

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.

Many thanks to Sophie for her help with completing this audit.

Yours sincerely,



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LRALC
Internal Audit Service

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	23,870	25,888
2. Annual precept	7,811	9,316
3. Total other receipts	5,845	4,852
4. Staff costs	2,632	2,377
5. Loan interest/capital repayments	0	0
6. Total other payments	9,006	8,877
7. Balances carried forward	25,888	28,937
8. Total cash and investments	25,888	28,937
9. Total fixed assets and long-term assets	38,421	38,421
10. Total borrowings	0	0