CORSE PARISH COUNCIL
Internal auditor's report for the year ended 31 March 2024
Name of Auditor: Anita Sach

GAPTC internal audits comply with the proper practices outlined in the Governance & Accountability for Smaller Authorities – A Practitioners' Guide and the Accounts and Audit Regulations 2015.

The GAPTC internal audit reviews and reports on whether the systems of financial and other internal controls over its activities and operating procedures are effective. The audit tests a variety of documents, including agendas and minutes, policies, insurance and risk management processes, to ensure Council meets the requirements set out in the Annual Internal Audit Report in the Annual Governance & Accountability Return. The internal audit does not involve the detailed inspection of all records and transactions of an authority in order to detect error or fraud.

Our auditors are independent of the Council and are competent to be able to carry out the requirements of the internal audit service.

NOTE The auditor will complete the Annual Internal Audit Report (AIAR) page on the Annual Governance & Accountability Return (AGAR). The AIAR informs the Annual Governance Statement (AGS) assertions on the AGAR, so when council reviews the AGS, the responses must reflect the AIAR report.

1. Council working documents

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
1.1	Have Standing Orders been a) tailored to council?	a) Yes b) Yes c) Yes		May Annual Meeting minute 6 Website Policies section

	b) reviewed using the most recent version? c) minuted?		Annual Governance Statement Assertion 1	
1.2	Have Financial Regulations been a) tailored to council? b) reviewed using the most recent version? c) minuted? (Objective B)	a) Yes b) Yes c) Yes	Annual Governance Statement Assertion 1	May Annual Meeting minute 6 Website Policies section
1.3	Does the council a) give grants? b) have a grant-awarding policy?	a) Yes b) Yes		a) March meeting b) Adopted 2020
1.4	Have items/ services been competitively purchased in accordance with Financial and/or Procurement Regulations?	N/A	Annual Governance Statement Assertion 2 & 3	Clerk advised none during the financial year
1.5	Code of conduct reviewed in the last 2/3 years?	Yes	Annual Governance Statement Assertion 3	May Annual Meeting minute 5 Website policies section

2. Finance

Ref	Test	Meets	Internal Auditor's comments/recommendations	Evidence

		reqmts? Yes, No or N/A		
2.1	Has the General Power of Competence been adopted (e.g. a minute reference), if Council qualifies?	Yes	Annual Governance Statement Assertion 3	May Annual Meeting minute 16.6
2.2	S137 a) is there a separate account for payments? b) are totals within statutory limits? (for Council's that do not held General Power of Competence)	N/A	Annual Governance Statement Assertion 1 & 3	
2.3	Is there an annual council authorisation of Direct Debit list and Standing Orders? (Objective B)	N/A	Annual Governance Statement Assertion 1	No DDs
2.4	Was Petty Cash expenditure approved, if any? (Objective F)	N/A	Annual Governance Statement Assertion 1	None
2.5	Is all expenditure supported by VAT invoices, if applicable?	Yes		Transaction sampling

	(Objective B)		Annual Governance Statement Assertion 1	
2.6	VAT – a) recorded in accounts b) reclaimed? (Objective B)	a) Yes b) Yes	Annual Governance Statement Assertion 1	a) Accounts on website b) July minute 6.1

3. Risk management

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
3.1	Insurance policy a) in place? b) cover reviewed to ensure still fit for purpose? (Objective C)	a) Yes b) Yes	Annual Governance Statement Assertion 5	May Annual Meeting minute 11 Insurance schedule viewed
3.2	Copy of Risk Management policy a) adopted? b) reviewed annually by Council? (Objective C)	a) Yes b) Yes	Annual Governance Statement Assertion 5	May Annual Meeting minute 10 Website policies section
3.3	Asset register a) reviewed regularly? (Objective H) b) published on website?	a) Yes b) Yes		May Annual Meeting minute 9 Website finance section

	(Objective L)		Annual Governance Statement Assertion 5	
3.4	Evidence that assets a) have been inspected for risk? b) reported in minutes? c) any actions undertaken? (Objective C)	a) Yes b) Yes b) Yes	Annual Governance Statement Assertion 5	September minute 6.8 Assets on asset register checked and items for action noted
3.5	Evidence that internal controls a) take place? b) are documented? c) minuted? as per Council's Financial Regulations/Standing Orders (Objective B)	a) Yes b) Yes c) Yes	Simple but comprehensive report to complete Annual Governance Statement Assertion 2	July minute 6.3 Internal controls report viewed
3.6	Bank reconciliations are on agenda to be considered by Council? (Objective I)	Yes	Bank reconciliations on every agenda Annual Governance Statement Assertion 1	May Annual Meeting minute 16.2 May bank reconciliation viewed
3.7	Review of a) investments? b) bank mandates (signatories on bank accounts)? (Objective B/C)	a) Yes b) Not yet	Annual Governance Statement Assertion 1	a) May Annual Meeting minute 16.4 b) Clerk advised that these will be done at May 2024 meeting
3.8	If bank cards in use,	N/A		No bank cards

	are proper procedures in place? (Objective B)		Annual Governance Statement Assertion 1	
3.9	Are a) physical records secure? b) electronic records backed up?	a) Yes b) Yes	Annual Governance Statement Assertion 5	Backed up to cloud and memory stick Physical records kept in locked cupboard at Clerk's home and archived records in locked filing cabinet

4. Budgetary controls

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
4.1	Was a budget properly for the year under review a) prepared? b) adopted? c) minuted? (Objective D)	a) Yes b) Yes c) Yes	Annual Governance Statement Assertion 1	a) 23-24 budget viewed b) & c) January 2023 minute 6.9
4.2	a) Were the earmarked objectives of the reserves identified in the budget, if any? b) Were the general reserves reasonable? (Objective D)	a) Yes b) No	I have concerns about the low general reserves held by council. JPAG recommends that councils should have general reserves of between 3- and 12- months' expenditure. For a small council this should be nearer 12 months. See ref 5.34 on page 38 of JPAG. This is important to ensure council has sufficient funds in case of unexpected expenditure, e.g. Clerk sickness, claim against the council.	a) Itemised in budget b) None identified in budget, but Clerk explained the position at the end of the financial year, which equates to less than 3 months' expenditure.

			Annual Governance Statement Assertion 1	
4.3	Was the precept demand for the year under review properly minuted in full council?	Yes		January 2023 minute 6.9
4.4	Did the council a) regularly compare budget vs spend (as detailed in the financial regulations) b) and evidenced in the minutes? (Objective D)	a) Yes b) Yes	Annual Governance Statement Assertion 1	May Annual Meeting minute 16.2 Budget vs spend report viewed. Noted by council at every meeting
4.5	Are any significant variances from budget reported?	N/A	Annual Governance Statement Assertion 2	

5. Payroll

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
5.1	Do all staff have a contract of employment?	Yes	Annual Governance Statement Assertion 3	Clerk's contract viewed for 22/23 internal audit
5.2	Do salaries paid agree with those approved by Council? (Objective G)	Yes	Annual Governance Statement Assertion 1	September payroll viewed

5.3	Has Council a) registered as an employer with HMRC? b) have PAYE / NIC been properly dealt with (including year-end procedures)? (Objective G)	a) Yes b) Yes		Evidence of payments to HMRC in minutes and accounts 23/24 P60 viewed
5.4	Are Councillor's allowances and expenses properly authorised & controlled, if any?	Yes	Annual Governance Statement Assertion 1	Clerk advised that any expenses are authorised at a meeting, but none evident in 23/24
5.5	Pension provision – eligible employees a) offered pension scheme? b) outcome minuted?	a) Yes b) Yes	Annual Governance Statement Assertion 3	a) Yes b) January 2022 minute 6.10
5.6	Is Council a) registered with the Pension Regulator for auto-enrolment pensions? b) Has auto-enrolment registration with Pension Regulator been reviewed (required every 3 years)	a) Yes b) Yes	Annual Governance Statement Assertion 3	a) & b) January 2022 letter viewed for 22/23 internal audit. Review due January 2025

6. Year-end procedures

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
6.1	Are debtors and creditors recorded properly on separate balance sheet if using Income & Expenditure reporting? (Objective J)	N/A	Annual Governance Statement Assertion 1	
6.2	Does Council as a whole consider the year-end accounts in addition to 6.5? (Objective J)	Yes	Annual Governance Statement Assertion 1	May Annual Meeting minute 16.3
6.3	Minute confirming that council is eligible for Certificate of Exemption (only for councils with a turnover of less than £25,000) (Objective K)	Yes	Annual Governance Statement Assertion 1	May extraordinary meeting 4.3
6.4	Annual Governance	Yes		May extraordinary meeting 4.1

	Statement, section 1 of Annual Return, approved by whole council (with separate minute number from Section 2 below)?		Annual Governance Statement Assertion 3	
6.5	Annual Statement of Accounts, section 2 of Annual Return, approved by whole council (with separate minute number from Section 1 above)?	Yes	Annual Governance Statement Assertion 3	May extraordinary meeting 4.2
6.6	Are all sections of the Annual Governance & Accountability Return published on the website? (Objective L/N)	Yes	Annual Governance Statement Assertion 3	Website finance section
6.7	Did council correctly provide for the exercise of public rights? (Objective M)	Yes	The dates for the period of exercise of public rights were reported to council and minuted. Annual Governance Statement Assertion 4	May extraordinary meeting 4.5 Website finance section
6.8	Previous internal audit report reviewed by council and action taken where recommended?	Yes	Annual Governance Statement Assertion 7	May Annual Meeting minute 16.5

6.9	Previous external audit report (for councils with turnover over £25,000) reviewed by council and action taken where recommended?	N/A	Annual Governance Statement Assertion 7	

7. Other matters

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
7.1	Policies in place for compliance with GDPR, such as Data Protection Policy for Staff & Councillors and for the public?	Yes	Clerk advised that there is a Privacy Policy for councillors and members of the public. Recommend that this is also placed on the website Annual Governance Statement Assertion 3	Website policies section Data Protection Policy for staff and anybody working for council
7.2	Is the Council a Managing Trustee?	No	Annual Governance Statement Assertion 9	
7.3	Do trustees meet at least once a year and publish separate accounts? (Objective O)	N/A	Annual Governance Statement Assertion 9	
7.4	Website Accessibility	Yes		Top of home page

	Statement on website home page?		Annual Governance Statement Assertion 3	
7.5	Did council formally appoint GAPTC as the Internal Auditor?	Yes	Recommend that Council confirms that the Internal Auditor is competent and independent of Council when appointing them Annual Governance Statement Assertion 6	September minute 6.5
7.6	Are registers up to date for council-owned burial grounds (if any) and purchase of Exclusive Rights of Burials certificate completed?	N/A	Annual Governance Statement Assertion 3	

8. Procedures

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments	Evidence
8.1	Minutes: a) DPIs or other interests recorded? b) published on website in draft form within one month (mandatory for councillors with a turnover of less than £25,000)?	a) Yes b) Yes c) Yes	Recommend that there is sequential numbering of minutes/minute pages throughout the calendar/financial year	a) Interests are on every agenda b) 5 March minutes on website when viewed early April c) November minutes signed and dated on all pages

	(Objective L) c) initialled on each page and final page signed?		Annual Governance Statement Assertion 3	
8.2	List of members' a) responsibilities (Objective L) and b) interests held and published on the website?	a) Yes b) Yes	Annual Governance Statement Assertion 3	a) & b) Councillors' section of website
8.3	Agendas signed and displayed on website 3 clear days' prior to meeting? (Objective L)	Yes	Annual Governance Statement Assertion 3	Agendas on website
8.4	Summons issued in proper format?	Yes	Annual Governance Statement Assertion 3	November agenda summons viewed