



**Naunton.... PARISH COUNCIL**

**Internal auditor's report for the year ended 31 March 2023**

**Name of Auditor: Charlotte Matthews**

**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**

<b>Ref</b>	<b>Test</b>	<b>Meets reqmts? Yes, No or N/A</b>	<b>Internal Auditor's comments/recommendations</b>	<b>Evidence</b>
1.1	Have Standing Orders been a) tailored to council? b) reviewed using	Yes  Yes		Evidence viewed <a href="chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj">chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj</a>

	the most recent version? c) minuted?	Yes	Annual Governance Statement Assertion 1	<a href="https://nebula.wsimg.com/b07250fac959d4866b8ddccdf8b58346?AccessKeyId=AFF9ACDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1">/https://nebula.wsimg.com/b07250fac959d4866b8ddccdf8b58346?AccessKeyId=AFF9ACDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1</a> item 15
1.2	Have Financial Regulations been a) tailored to council? b) reviewed using the most recent version? c) minuted? (Objective B)	Yes Yes Yes	Annual Governance Statement Assertion 1	Evidence viewed at <a href="chrome-extension://efaidnbnmnnibpcajpcglclefindmkaj/https://nebula.wsimg.com/b07250fac959d4866b8ddccdf8b58346?AccessKeyId=AFF9ACDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1">chrome-extension://efaidnbnmnnibpcajpcglclefindmkaj/https://nebula.wsimg.com/b07250fac959d4866b8ddccdf8b58346?AccessKeyId=AFF9ACDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1</a> item 16
1.3	Does the council a) give grants? b) have a grant-awarding policy?	No No		Council does not give grants
1.4	Have items/ services been competitively purchased in accordance with Financial and/or Procurement Regulations?	Yes	Annual Governance Statement Assertion 2 & 3	Evidence is viewed within the minutes that the council complies with procurement regulations
1.5	Code of conduct reviewed in the last 2/3 years?	No	Recommend that this be reviewed as soon as possible. Annual Governance Statement Assertion 3	Last reviewed May 2019

## 2. Finance

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
2.1	Has the General Power of Competence been adopted (e.g. a minute reference), if Council qualifies?	No	Annual Governance Statement Assertion 3	Council does not meet the requirements
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)	Yes  Yes	Annual Governance Statement Assertion 1 & 3	Cash book has been viewed as evidence
2.3	Is there an annual council authorisation of Direct Debit list and Standing Orders? (Objective B)	Yes	Annual Governance Statement Assertion 1	Council only has one standing order. This is for PWLB Evidence is viewed within the minutes <a href="chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://nebula.wsimg.com/a6a8136df16f5c0cbec1860c35fc2ab5?AccessKeyId=AFF9ACDDD AFB2CF69FEC&amp;disposition=0&amp;alloworigin=1">chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://nebula.wsimg.com/a6a8136df16f5c0cbec1860c35fc2ab5?AccessKeyId=AFF9ACDDD AFB2CF69FEC&amp;disposition=0&amp;alloworigin=1</a> item 12b)

2.4	Was Petty Cash expenditure approved, if any? (Objective F)	N/A	Annual Governance Statement Assertion 1	Council does not use petty cash
2.5	Is all expenditure supported by VAT invoices, if applicable? (Objective B)	Yes	Annual Governance Statement Assertion 1	Invoices seen and cashbook viewed
2.6	VAT – a) recorded in accounts b) reclaimed? (Objective B)	Yes Yes	Annual Governance Statement Assertion 1	Cash book and VAT reclaim form have been viewed as evidence

### 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)	Yes Yes	Annual Governance Statement Assertion 5	
3.2	Copy of Risk Management policy a) adopted? b) reviewed annually by Council?	Yes Yes	Annual Governance Statement Assertion 5	Evidence viewed chrome- <a href="https://extension://efaidnbmnnnibpcajpcglclefindmkaj/https://nebula.wsimg.com/a6a8136df16f5c0cbec1860c35fc2ab5?AccessKeyId=AFF9ACDD">https://extension://efaidnbmnnnibpcajpcglclefindmkaj/https://nebula.wsimg.com/a6a8136df16f5c0cbec1860c35fc2ab5?AccessKeyId=AFF9ACDD</a>

	(Objective C)			<a href="#">DAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1 item 11a)</a>
3.3	Asset register a) reviewed regularly? (Objective H) b) published on website? (Objective L)	Yes  Yes	Annual Governance Statement Assertion 5	Evidence is viewed on the website 15 May 2023, Minute reference 15/5/2023 Pt 17. Reviewed Nov 2023 chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/ <a href="https://nebula.wsimg.com/a6a8136df16f5c0cbec1860c35fc2ab5?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1 item 10">https://nebula.wsimg.com/a6a8136df16f5c0cbec1860c35fc2ab5?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1 item 10</a> .
3.4	Evidence that assets a) have been inspected for risk? b) reported in minutes? c) any actions undertaken? (Objective C)	Yes  Yes  Yes	Annual Governance Statement Assertion 5	Evidence viewed at chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/ <a href="https://nebula.wsimg.com/b07250fac959d4866b8ddccdf8b58346?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1 item 18">https://nebula.wsimg.com/b07250fac959d4866b8ddccdf8b58346?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1 item 18</a> .
3.5	Evidence that internal controls a) take place? b) are documented? c) minuted? as per Council's Financial Regulations/Standing Orders (Objective B)	Yes Yes Yes	Annual Governance Statement Assertion 2	Evidence of the council financial check list has been viewed Minuted at chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/ <a href="https://nebula.wsimg.com/b07250fac959d4866b8ddccdf8b58346?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1 item 19a">https://nebula.wsimg.com/b07250fac959d4866b8ddccdf8b58346?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1 item 19a)</a>
3.6	Bank reconciliations			

	are on agenda to be considered by Council? (Objective I)	Yes	Annual Governance Statement Assertion 1	Evidence of the council financial check list has been viewed <a href="https://nebula.wsimg.com/46d3d4be7c563b05c5cc6d678408be1d?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1">https://nebula.wsimg.com/46d3d4be7c563b05c5cc6d678408be1d?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1</a> item 11b)
3.7	Review of a) investments? b) bank mandates (signatories on bank accounts)? (Objective B/C)	N/A Yes	Annual Governance Statement Assertion 1	The council has no investments Evidence viewed on minutes for bank signatories <a href="https://nebula.wsimg.com/46d3d4be7c563b05c5cc6d678408be1d?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1">https://nebula.wsimg.com/46d3d4be7c563b05c5cc6d678408be1d?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1</a> item 11a)
3.8	If bank cards in use, are proper procedures in place? (Objective B)	N/A	Annual Governance Statement Assertion 1	Council has no bank card issued
3.9	Are a) physical records secure? b) electronic records backed up?	Yes Yes	Annual Governance Statement Assertion 5	Electronic documents are all on OneDrive and on a stick which I update every 6 months or so. Documents are also stored on the website.

#### 4. Budgetary controls

Ref	Test	Meets reqmts? Yes, No or	Internal Auditor's comments/recommendations	Evidence
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		<b>N/A</b>		
4.1	Was a budget properly for the year under review a) prepared? b) adopted? c) minuted? (Objective D)	Yes Yes Yes	Annual Governance Statement Assertion 1	Evidence viewed <a href="https://chrome-extension://efaidnbmnnnibpcajpcgiclfindmkaj/https://nebula.wsimg.com/a6a8136df16f5c0cbec1860c35fc2ab5?AccessKeyId=AFF9ACDDD AFB2CF69FEC&amp;disposition=0&amp;alloworigin=1">chrome-extension://efaidnbmnnnibpcajpcgiclfindmkaj/https://nebula.wsimg.com/a6a8136df16f5c0cbec1860c35fc2ab5?AccessKeyId=AFF9ACDDD AFB2CF69FEC&amp;disposition=0&amp;alloworigin=1</a> item 13c)
4.2	a) Were the earmarked objectives of the reserves identified in the budget, if any? b) Were the general reserves reasonable? (Objective D)	Yes Yes	Annual Governance Statement Assertion 1	Evidence viewed <a href="https://chrome-extension://efaidnbmnnnibpcajpcgiclfindmkaj/https://nebula.wsimg.com/a6a8136df16f5c0cbec1860c35fc2ab5?AccessKeyId=AFF9ACDDD AFB2CF69FEC&amp;disposition=0&amp;alloworigin=1">chrome-extension://efaidnbmnnnibpcajpcgiclfindmkaj/https://nebula.wsimg.com/a6a8136df16f5c0cbec1860c35fc2ab5?AccessKeyId=AFF9ACDDD AFB2CF69FEC&amp;disposition=0&amp;alloworigin=1</a> item 14
4.3	Was the precept demand for the year under review properly minuted in full council?	Yes	Recommend that this be given its own item on the agenda	Evidence viewed <a href="https://chrome-extension://efaidnbmnnnibpcajpcgiclfindmkaj/https://nebula.wsimg.com/a6a8136df16f5c0cbec1860c35fc2ab5?AccessKeyId=AFF9ACDDD AFB2CF69FEC&amp;disposition=0&amp;alloworigin=1">chrome-extension://efaidnbmnnnibpcajpcgiclfindmkaj/https://nebula.wsimg.com/a6a8136df16f5c0cbec1860c35fc2ab5?AccessKeyId=AFF9ACDDD AFB2CF69FEC&amp;disposition=0&amp;alloworigin=1</a> item 14
4.4	Did the council a) regularly compare budget vs spend (as detailed in the financial regulations) b) and evidenced in the minutes?	Yes Yes	Annual Governance Statement Assertion 1	Evidence viewed within the internal controls list and minuted under financial controls

	(Objective D)			
4.5	Are any significant variances from budget reported?	No	Annual Governance Statement Assertion 2	There were no significant variants to report

## 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	Evidence has been viewed – contract of employment seen
5.2	Do salaries paid agree with those approved by Council? (Objective G)	Yes	Annual Governance Statement Assertion 1	Council contracts wages and associated costs to a contractor
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)	Yes Yes		Council contracts wages and associated costs to a contractor
5.4	Are Councillor's allowances and expenses properly authorised & controlled, if any?	Yes	Annual Governance Statement Assertion 1	No councillor expenses were paid within the year but evidence that this is done correctly in previous year.

5.5	Pension provision – eligible employees a) offered pension scheme? b) outcome minuted?	Yes	Annual Governance Statement Assertion 3	Can be seen within the minutes
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)	Yes  Yes	Annual Governance Statement Assertion 3	Evidence has been seen – viewed the auto-enrol letter and is minuted

## 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	N/A		Council is using an income and expenditure reporting system

	sheet if using Income & Expenditure reporting? (Objective J)		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	Evidence viewed chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/ <a href="https://nebula.wsimg.com/b07250fac959d4866b8ddccdf8b58346?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1">https://nebula.wsimg.com/b07250fac959d4866b8ddccdf8b58346?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1</a> item 19a)
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	Evidence viewed chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/ <a href="https://nebula.wsimg.com/b07250fac959d4866b8ddccdf8b58346?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1">https://nebula.wsimg.com/b07250fac959d4866b8ddccdf8b58346?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1</a> item 11.
6.4	Annual Governance Statement, section 1 of Annual Return, approved by whole council (with separate minute number from Section 2 below)?	Yes	Annual Governance Statement Assertion 3	Evidence viewed chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/ <a href="https://nebula.wsimg.com/b07250fac959d4866b8ddccdf8b58346?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1">https://nebula.wsimg.com/b07250fac959d4866b8ddccdf8b58346?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1</a> item 12.
6.5	Annual Statement of Accounts, section 2 of Annual Return,	Yes		Evidence viewed chrome-

	approved by whole council (with separate minute number from Section 1 above)?		Annual Governance Statement Assertion 3	extension://efaidnbmnnnibpcajpcglclefindmkaj/ https://nebula.wsimg.com/b07250fac959d4866b8ddccdf8b58346?AccessKeyId=AFF9ACDDDAFB2CF69FEC&disposition=0&alloworigin=1 item 13
6.6	Are all sections of the Annual Governance & Accountability Return published on the website? (Objective L/N)	Yes	Annual Governance Statement Assertion 3	Evidence viewed at <a href="http://www.nauntonpc.org/audit-information-for-2022-23.html">http://www.nauntonpc.org/audit-information-for-2022-23.html</a>
6.7	Did council correctly provide for the exercise of public rights? (Objective M)	Yes	Recommend that the dates for the period of exercise of public rights in 2021 are also reported to council and minuted.  Annual Governance Statement Assertion 4	Evidence viewed <a href="https://nebula.wsimg.com/46d3d4be7c563b05c5cc6d678408be1d?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1">https://nebula.wsimg.com/46d3d4be7c563b05c5cc6d678408be1d?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1</a> Item 8j)
6.8	Previous internal audit report reviewed by council and action taken where recommended?	Yes	Annual Governance Statement Assertion 7	Evidence has been viewed <a href="https://nebula.wsimg.com/46d3d4be7c563b05c5cc6d678408be1d?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1">https://nebula.wsimg.com/46d3d4be7c563b05c5cc6d678408be1d?AccessKeyId=AFF9ACDDDAFB2CF69FEC&amp;disposition=0&amp;alloworigin=1</a> item 8.
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	Council does not meet this requirement

## 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	Annual Governance Statement Assertion 3	Evidence has been viewed at <a href="http://www.nauntonpc.org/procedures2.html">http://www.nauntonpc.org/procedures2.html</a>
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	Council is not a trustee
7.4	Website Accessibility Statement on website home page?	Yes	Annual Governance Statement Assertion 3	Evidence viewed AIS chrome-extension://efaidnbnmnnibpcajpcglclefindmkaj/https://nebula.wsimg.com/8c0a255a6659782265a3a2aee84d18c4?AccessKeyId=AFF9ACDDDAFB2CF69FEC&disposition=0&alloworigin=1
7.5	Did council formally appoint GAPTC as the Internal	Yes	Annual Governance Statement Assertion 6	Appointment letter has been viewed

	Auditor?			
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	Council is not a burial authority

## 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)? (Objective L) c) initialled on each page and final page signed?	Yes  Yes  Yes	Annual Governance Statement Assertion 3	Evidence has been viewed
8.2	List of members' a) responsibilities	Yes		

	(Objective L) and b) interests held and published on the website?	Yes	Recommend that the councillors check and review their registration forms as they show they have no land (Rented or owned) nor interests within the parish.  Annual Governance Statement Assertion 3	Evidence viewed on the council website <a href="http://www.nauntonpc.org/councillors3.html">http://www.nauntonpc.org/councillors3.html</a>
8.3	Agendas signed and displayed on website/noticeboards 3 clear days' prior to meeting? (Objective L)	Yes displayed But not signed	Recommend that Any other Business be removed from the agenda as soon as possible  Annual Governance Statement Assertion 3	Any other business is on both the agenda and the minutes – this item should be removed from both as not a lawful item
8.4	Summons issued in proper format?	Yes	Annual Governance Statement Assertion 3	Evidence viewed within the agendas and the minutes