



CORSE PARISH COUNCIL
Internal auditor's report for the year ended 31 March 2022
Name of Auditor: Mrs Margaret J Highton

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?	Yes		a) Website b) 2020 version used c) 04/05/2021 Item 5

	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)	Yes	Annual Governance Statement Assertion 1	a) Website b) 2019 version used c) 04/05/2021 Item 5
1.3	Does the council a) give grants? b) have a grant-awarding policy?	Yes		a) Yes b) Website
1.4	Have items/ services been competitively purchased in accordance with Financial and/or Procurement Regulations?	N/A	Annual Governance Statement Assertion 2 & 3	
1.5	Code of conduct reviewed in the last 2/3 years?	Yes	Clerk to ensure reviewed again in 2022 Annual Governance Statement Assertion 3	Website Reviewed 07/05/2019

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?	Yes	Annual Governance Statement Assertion 3	04/01/2022 Item 6.9
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	Annual Governance Statement Assertion 1 & 3	a) & b) On cashbook until GPC adopted
2.3	Is there an annual council authorisation of Direct Debit list and Standing Orders? (Objective B)	N/A	No DDs and Ss Annual Governance Statement Assertion 1	
2.4	Was Petty Cash expenditure approved, if any? (Objective F)	N/A	No Petty Cash Annual Governance Statement Assertion 1	
2.5	Is all expenditure	Yes		See Transaction Checklist

	supported by VAT invoices, if applicable? (Objective B)		Annual Governance Statement Assertion 1	
2.6	VAT – a) recorded in accounts b) reclaimed? (Objective B)	Yes	Annual Governance Statement Assertion 1	a) Cashbook b) Reclaim received for 2020/2021

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	Annual Governance Statement Assertion 5	a) Policy seen b) 04/05/2021 Item 10 3-year contract until 03/2022
3.2	Copy of Risk Management policy a) adopted? b) reviewed annually by Council? (Objective C)	Yes	Annual Governance Statement Assertion 5	a) & b) 04/05/2021 Item 9
3.3	Asset register a) reviewed regularly? (Objective H)	Yes		a) 04/05/2021 Item 8 b) Website

	b) published on website? (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)	Yes	Clerk aware that actions undertaken should also be reported back to council and minuted Annual Governance Statement Assertion 5	a) b) & c) 04/01/2022 Item 12 Actions to be done were minuted
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	Annual Governance Statement Assertion 2	a) & b) Documents seen 07/09/2021 Item 6.3 and 02/11/2021 Item 6.3
3.6	Bank reconciliations are on agenda to be considered by Council? (Objective I)	Yes	Annual Governance Statement Assertion 1	04/05/2021 16.2 and 06/07/2021 Item 8.2
3.7	Review of a) investments? b) bank mandates (signatories on bank accounts)? (Objective B/C)	Yes	Annual Governance Statement Assertion 1	a) No investments b) 04/05/2021 Item 17.5

3.8	If bank cards in use, are proper procedures in place? (Objective B)	N/A	No bank cards Annual Governance Statement Assertion 1	
3.9	Are a) physical records secure? b) electronic records backed up?	Yes	Annual Governance Statement Assertion 5	a) Lockable Filing cabinet and archives in locked outbuilding b) Backed up to cloud and backed up to Memory Stick , once a month

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)	Yes	Annual Governance Statement Assertion 1	a) Budget on website b) & c) 03/11/2020 Item 6.5
4.2	a) Were the earmarked objectives of the reserves identified in the budget, if any? b) Were the general reserves reasonable?	Yes	Annual Governance Statement Assertion 1	a) Budget document seen on website b) 48% of expenditure, which is reasonable.

	(Objective D)			
4.3	Was the precept demand for the year under review properly minuted in full council?	Yes		03/11/2020 Item 6.6
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)	Yes	Recommend financial report should be attached to minutes on website. Annual Governance Statement Assertion 1	Budget to date sent to all councillors before meeting and approved as part of financial report.
4.5	Are any significant variances from budget reported?	Yes	Annual Governance Statement Assertion 2	In financial report but not minuted separately

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	Contract seen
5.2	Do salaries paid agree with those approved by Council? (Objective G)	Yes	Annual Governance Statement Assertion 1	Salary paid compared with contract

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		PAYE records seen
5.4	Are Councillor's allowances and expenses properly authorised & controlled, if any?	N/A	None paid Annual Governance Statement Assertion 1	
5.5	Pension provision – eligible employees a) offered pension scheme? b) outcome minuted?	Yes	Annual Governance Statement Assertion 3	a) Clerk offered pension and declined b) 01/09/2020 Item 6.6
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	Annual Governance Statement Assertion 3	a) Registered in 2015 b) Letter seen re review on 22/01/2022

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	Receipts and payments used. 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	04/05/2021 Item 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	04/05/2021 Item 17.3
6.4	Annual Governance Statement, section	Yes		04/05/2021 Item 17.1

	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	04/05/2021 Item 17.2
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
6.7	Did council correctly provide for the exercise of public rights? (Objective M)	Yes	Annual Governance Statement Assertion 4	04/05/2021 Item 17.4
6.8	Previous internal audit report reviewed by council and action taken where recommended?	Yes	Annual Governance Statement Assertion 7	02/03/2021 Item 6.4
6.9	Previous external audit report (for	N/A		

councils with turnover over £25,000) reviewed by council and action taken where recommended?		Annual Governance Statement Assertion 7	
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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	Website
7.2	Is the Council a Managing Trustee?	N/A	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 Statement on website home page?	Yes	Annual Governance Statement Assertion 3	Website

7.5	Did council formally appoint GAPTC as the Internal Auditor?		Recommend that Council confirms that the Internal Auditor is competent and independent of Council when appointing them Annual Governance Statement Assertion 6	02/11/2021 Item 6.7
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	No burial grounds 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)? (Objective L) c) initialled on each page and final page	Yes	Annual Governance Statement Assertion 3	a) & c) 07/09/2021 & 02/11/2021 b) 04/01/2022 on website 10/02/2022

	signed?			
8.2	List of members' a) responsibilities (Objective L) and b) interests held and published on the website?	Yes	Annual Governance Statement Assertion 3	a) & b) Website
8.3	Agendas signed and displayed on website/noticeboards 3 clear days' prior to meeting? (Objective L)	Yes	Annual Governance Statement Assertion 3	Agendas seen: 01/11/2021 & 06/07/2021
8.4	Summons issued in proper format?	Yes	Annual Governance Statement Assertion 3	Agendas seen: 01/11/2021 & 06/07/2021