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Internal Audit Report

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

Name of council:	Sibbertoft Parish Council		
Name of Internal Auditor:	Kate Houlihan	Date of report:	29 May 2025
Year ending:	31 March 2025	Date audit carried out:	29 May 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. 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 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 Chair of the Council:

To the Chair of the Council:

I completed the year-end audit for Sibbertoft Parish Council on 29 May 2025. I would take this opportunity to thank Clare Valentine, the Clerk, for her help and assistance.

To complete the audit, I:

- Reviewed documents supplied by the Clerk, both prior to and following the audit meeting.
- Reviewed information available on Sibbertoft Parish Council – Serving the people of Sibbertoft
- Reviewed a copy of the council's cashbook.
- Had a phone conversation with the Clerk on 28 May 2025

Sibbertoft Parish Council is well managed and well-run. By reviewing all the information available, I accessed a well-ordered and detailed set of documents and records.

Through examining these documents and records, along with further questioning, I tested aspects of the council's internal controls as required for the Internal Audit section of the Annual Return Form 2.

I examined the audit trail for a sample of transactions during the financial year. The audit trail was clear. The year-end bank reconciliation was reviewed and matched to the bank statement. I reviewed the Clerk's pay, the correct hourly rate is used, and the salary payment is calculated on the correct basis. Deductions for Income Tax and Employee NIC are appropriate. The asset register was reviewed; there were no additions or disposals during the year.

The following points raised to further support Sibbertoft Parish Council to continue maintaining their high standards of governance:

> The Annual Parish Meeting Minutes and the Minutes of the Annual Council Meeting for 2024 are currently combined in a single document. However, it is evident that there are two distinct sets of minutes. For clarity, it would be beneficial to separate them into individual documents. The Clerk has already confirmed that this is already the case moving forward.
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> The budget for the 2024-2025 financial year was set in December 2023. The minutes clearly show that the council gives due consideration to the budget, the level of council reserves, and the precept. It would however, be clearer if the decision to approve the budget and the precept were given their own agenda item and reference, and subsequently a distinct minute.

I am satisfied that effective policies and procedures, together with systems to manage, monitor, and control the council's business, are in place. Accordingly, I was able to answer 'yes' to all relevant questions and identify areas that are not applicable to the council.

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.

Yours sincerely,

Kate Houlihan

Kate Houlihan
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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	10,696	9,616
2. Annual precept	13,000	18,000
3. Total other receipts	1,905	2,178
4. Staff costs	5,883	6,254
5. Loan interest/capital repayments	0	0
6. Total other payments	10,102	17,361
7. Balances carried forward	9,616	6,178
8. Total cash and investments	9,616	6,178
9. Total fixed assets and long-term assets	69,374	69,374
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.