

## Internal Audit Report

to be read in conjunction with the Annual Internal Audit Report in the  
Annual Governance and Accountability Return 2024 - 2025

|                           |                             |                 |               |
|---------------------------|-----------------------------|-----------------|---------------|
| Name of Authority:        | East Goscote Parish Council |                 |               |
| Name of Internal Auditor: | Jo Ambrose                  | Year ending:    | 31 March 2025 |
| Date audit carried out:   | 15 May 2025                 | Date of report: | 25 May 2025   |

Internal audit is the periodic independent review of an authority's internal controls. This should result in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the authority's internal controls should be a day-to-day function 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 an authority 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 the [Local Audit and Accountability Act 2014](#) and [Accounts and Audit Regulations 2015](#) are set out in the Smaller Authorities Proper Practices Panel (SAPPP) *Practitioners Guide*. This is a guide to the accounting practices to be followed by local councils which sets out the appropriate standard of financial reporting to be followed.

- Para 4.11 of the *Practitioners' Guide* asserts that the independence of the appointed person or firm should be reviewed every year.
- Para 4.16 requires that authorities should carry out a review of the effectiveness of their overall internal audit arrangements, at least once each year.
- Para 5.103 specifies that the authority should 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.

This report is addressed to the Chair of Council or Parish Meeting for circulation to all members. It must be considered in a meeting of the full council or parish meeting.

The authority needs to have considered all matters brought to its attention by internal and external audit, and should have taken corrective action as appropriate. *Practitioners Guide* 1.39



## Reports from internal and external auditors 2023-2024

Please add additional boxes as required. If there are no recommendations or comments, please record None of N/A each time rather than deleting the tables.

Have comments from the internal audit 2023-2024 been addressed?

| Comment or recommendation from internal auditor 2023-2024  | Comment from internal auditor for this report |
|--|---|
| Recommend for the purposes of transparency that S137 is recorded as a separate line within the minutes | This has not been carried out                 |

## Councils and parish meetings subject to a Limited Assurance Review for 2023-2024

Have comments from the external audit 2023-2024 been addressed?

| Comment or recommendation from external auditor 2023-2024  | Comment from internal auditor for this report   |
|--|---|
| The Period of Public Rights was advertised prior to the AGAR being agreed  | The AGAR has again been approved after the Period of Public Rights being advertised – the external report does not appear to be brought to full council to be actioned and minuted  |
| Council answered yes to assertion 4 of section 1 of the AGAR, this should have been no due to the AGAR not being approved prior to the advertising for the Period of Public Rights   | Clerk aware – the external report does not appear to be brought to full council to be actioned and minuted  |
| Box 11a was not initially completed on section 2 of the AGAR. Form was resubmitted with a no to box 11a. This happened the previous year and the council should have answered no to assertion 11a of section 1 as appropriate action was not taken   | Clerk aware – the external report does not appear to be brought to full council to be actioned and minuted  |
| The Council does not appear to have met the requirement of Accounts and Audit Regulations 2015, Regulation 13 (1) which states the final audited AGAR should be available for public access which includes being on the website. Section 2 of the 2022/2023 AGAR was amended, however the original AGAR remained on the website. In addition, the 2023 Conclusion of Audit has not been published, and this is a requirement of regulation 16 of the Accounts and Audit Regulations 2015 | Final AGAR for 2023-2024 is available on the website<br><br>Conclusion of audit is on the website for 2023/2024<br><br>The external report does not appear to be brought to full council to be actioned and minuted   |
| Previous years Notice of Public Rights was not advertised correctly, therefore expected a No to objective M on the internal audit report   | Clerk aware, discussed the dates for public inspection and the requirement that the council must agree with AGAR prior to the Period of Public Rights being advertised – the external report does not appear to be brought to full council to be actioned and minuted |

## To the Chair of East Goscote Parish Council

This internal audit report was compiled following several independent tests/checks being undertaken using various financial records, documents, minutes, policies etc both through the official website and during an audit meeting with Liz Pizer, Clerk & RFO, on 15 May 2025. I would like to thank Liz for her time and cooperation during this process. The following topics were reviewed against our standard checklist format.

### Accounting Records:

- All details were satisfactorily recorded in the financial ledger, and all appeared to be in order.
- The Council use spreadsheets to record financial transactions.
- Payments in the ledger were generally covered by invoices and minuted and authorised at the relevant PC meetings against a list of payments.
- There are two bank accounts with balance details presented to council monthly.
- VAT has been reclaimed as required and this is completed twice a year.
- S137 expenses recorded within the year are £3,958.68 which is within the limit.
- **Recommend all S137 spend is minuted on a separate line in the Finance Section.**
- RFO is the clerk.

### Due Process:

- Standing Orders had been reviewed in June 2024 and adopted.
- Financial Regulations had been reviewed in September 2024 and adopted.
- Financial Regulations have been tailored to the Council.
- Payments in the ledger were generally covered by invoices and minuted and authorised at the relevant council meetings against a list of payments.
- Minutes were initialled by page and signed by the chair at each meeting.
- Scanning the minutes there did not appear to be any unusual activity.

### Risk Management:

- The annual risk assessment was carried out in June 2024.
- Insurance was reviewed and renewed in October 2024, currently within a long term plan.
- **Consider your risk assessment against possible cyber-attacks.**
- The insurance schedule covers land/assets adequately.
- The monitoring and risk assessment of play equipment etc, was checked annually ROSPA inspection and the caretakers monitor the equipment on a weekly basis completed a risk assessment. Councillors also monitor on a monthly basis.

### Budget/ Precept:

- The annual budget and precept were approved by full council in December 2024.
- The precept request being submitted to Charnwood Borough Council.
- Progress against the budget is monitored and minuted quarterly.
- A breakdown of the budget against the present is on the website.
- Reserves appear adequate.

### Income:

- There is no income from cemeteries, allotments, hall hire or leases



#### Petty Cash:

- Petty cash is managed appropriately.
- This is presented to council for approval.
- Receipts recorded and reconciled on a spreadsheet, clearly showing VAT for reclaim.

#### Salaries/Employees:

- There are currently four employees, all with employment contracts.
- Clerk salary details recorded as required in the ledger.
- Salary is approved by council with an annual review in November 2024.
- Expense payments to the Clerk are adequately minuted and approved by full Council.
- Payroll is completed by the clerk.
- There are currently two pension schemes in place, and some employees have opted out of the current re-enrolment period.
- The Pensions Regulator compliance is dealt with by the clerk.

#### Asset Control:

- The Asset register is up to date and last reviewed May 2024.
- A copy is available on the website.
- The breakdown of play equipment is shown on the asset register.
- Assets appear covered by the insurance schedule.
- Deeds etc were held in a locked cupboard in the council office.
- There are no loans in place.

#### Bank Reconciliations:

- There are two bank accounts & balances were reviewed and reconciled monthly.
- Bank reconciliations are reviewed by full Council and minuted.
- There is evidence of audit trails from records to accounts.
- The clerk uses a spreadsheet to record receipts and payments.

#### Accounting Statements:

- Accounting statements were prepared throughout the year, debtors & creditors recorded where necessary and there was evidence of a financial trail through records.
- The council operate on receipts and payments basis.
- On the sample payments taken there was evidence of control being approved in Council, minuted and paid accordingly.
- The year end accounts had been prepared, bank statements and ledgers reconciled, these will be signed off at next full Council meeting.
- This year's sections 1 & 2 of the Annual Return had been drafted.

#### Transparency:

- The following were displayed / published as required (note below\*).
  - End of year accounts / Accounting Statement (no variation report)
  - Annual Governance Statement
  - Internal & External Audit reports
  - Asset register
  - Budget
- Items above £100 are published separately on the website.

LRALC, Jubilee Hall, Staddon Road, Anstey, Leics, LE7 7AY  
0116 235 3800 | [admin@leicestershireandrutlandalc.gov.uk](mailto:admin@leicestershireandrutlandalc.gov.uk)  
[www.leicestershireandrutlandalc.gov.uk](http://www.leicestershireandrutlandalc.gov.uk)  
Registered office as above. Registered in England No. 11323405



**Internal Audit Forum**  
THE VOICE FOR LOCAL COUNCIL AUDIT

- Councillor responsibilities are reviewed and minuted at the May 2024 meeting. A list of responsibilities are against each councillor’s biography.
- Agendas and minutes are generally published as required
- The website appears to be updated regularly.

Exercise of Public Rights:

- “The Notice of Public Rights” was issued and displayed on the website as required.
- The AGAR Annual Governance & Accounting Statement documents were displayed on the website as required.

Annual returns:

- The annual return section 2 details (Year Ending 31st March 2025) are set out at the end of this document

Trust Funds:

- Not applicable: The Council is not a trustee.

Miscellaneous:

- There was evidence confirming the previous internal audit had been reviewed although the recommendation to minute S137 spend separately had not been carried out.
- The external audit report does not appear to have been reviewed and actioned by council.
- **The external audit report must be brought to the attention of the council and actioned appropriately.**
- The council does not hold the general power of competence.
- Clerk confirmed electronic files are backed up to a hard drive monthly.
- The council holds an equality policy.
- A complaints procedure is in place.
- Members interests were noted on the website.
- Clerk confirmed there is one sub-committee, “Staffing” and terms of reference are on the website.

**Recommendations for this report**

Recommendations from internal auditor 2024-2025

| Area for consideration or improvement | Recommendation   |
|---------------------------------------|--|
| Accounting Records                    | S137 spend is minuted on a separate line.  |
| Risk Management Insurance             | Consider your risk assessment against possible cyber-attacks.  |
| Exercise of Public Rights             | The Notice of Public Rights was issued before the Annual Governance & Accounting Statement (AGAR) document was approved by Council. The AGAR should be approved prior to announcing the Notice of Public Rights to inspect the accounts. |
| Transparency – external audit         | The external audit report be brought to the attention of the council and actioned appropriately.   |

**Areas in the 2024-2025 AGAR Annual Internal Audit Report for which Yes or N/A cannot be ticked**

|   | Reason  |
|---|---|
| A |   |
| B |   |
| C |   |
| D |   |
| E |   |
| F |   |
| G |   |
| H |   |
| I |   |
| J |   |
| K | Not covered: Council not certified as exempt - a limited assurance review of AGAR completed |
| L |   |
| M | No: The AGAR was approved after the Notice of Public Rights was issued                      |
| N |   |
| O |   |

**Section 2 - Accounting Statements 2024/2025**

The figures submitted in the Annual Governance and Accountability Return are:

|  | Year ending<br>31 March 2024 | Year ending<br>31 March 2025 |
|--|------------------------------|------------------------------|
| 1. Balances brought forward                | £59,298                      | £63716                       |
| 2. Annual precept                          | £66,900                      | £72000                       |
| 3. Total other receipts                    | £11,017                      | £10580                       |
| 4. Staff costs                             | £43,183                      | £44661                       |
| 5. Loan interest/capital repayments        | 0                            | 0                            |
| 6. Total other payments                    | £30,316                      | £32706                       |
| 7. Balances carried forward                | £63,716                      | £68929                       |
| 8. Total cash and investments              | £63,716                      | £68929                       |
| 9. Total fixed assets and long-term assets | £594,104                     | £593,920                     |
| 10. Total borrowings                       | 0                            | 0                            |

In conclusion, I would like to thank Liz for her support and time throughout the auditing process.

Yours sincerely



Jo Ambrose (Internal Auditor to the Council)

Mob: 07943 387 807

Email: jo.internalauditor@gmail.com

LRALC, Jubilee Hall, Staddon Road, Anstey, Leics, LE7 7AY  
0116 235 3800 | [admin@leicestershireandrutlandalc.gov.uk](mailto:admin@leicestershireandrutlandalc.gov.uk)  
[www.leicestershireandrutlandalc.gov.uk](http://www.leicestershireandrutlandalc.gov.uk)  
Registered office as above. Registered in England No. 11323405



**Internal Audit Forum**  
THE VOICE FOR LOCAL COUNCIL AUDIT