

## 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:	Groby Parish Council		
Name of Internal Auditor:	Cathy Walsh	Year ending:	31 March 2025
Date audit carried out:	28 May 2025	Date of report:	28 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 its the authority needs to have considered all matters brought to its attention by its external auditor and internal audit and taken corrective action as appropriate. *Practitioners Guide* 1.39



## To the Chair of the Council:

I completed the year-end audit of the council remotely on 28 May 2025. I would like to take the opportunity to thank Sue Hackett (Clerk & RFO) for her co-operation and assistance in delivering the council's internal audit.

In preparation for the audit, I examined the publicly available information displayed on the council's website, including the council's policies, procedures, agendas, minutes, financial and other records. I sought evidence to confirm that the previous year's Internal and External Audit reports had been properly reported to the council and where necessary acted upon by the council.

During my audit I also examined the council's arrangements for the management and control of its business in the areas of bookkeeping, due processes (i.e. compliance with the proper practices as set out in the Smaller Authorities Proper Practices Panel (SAPPP) Practitioners' Guide), risk management, budget setting and monitoring, payroll, asset register, bank reconciliations, internal control, year-end procedures and compliance with the publication requirements of the 2023-2024 AGAR.

I am pleased to be able to report that having tested all the aspects of the council's internal controls that I am required to consider, based on the information made available to me I am satisfied that the internal control objectives were achieved throughout the financial year to a standard adequate to meet the council's needs. Accordingly, I have completed and signed off the Annual Internal Audit Report as required.

## Reports from internal and external auditors 2023-2024

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

<b>Comment or recommendation from internal auditor 2023-2024</b>	<b>Comment from internal auditor for this report</b>
Record spend under s137 in the minutes, ensure it stays within the set level and has direct benefit to the electorate. Keep a separate column in the cashbook for s137 expenditure.	This has been addressed. A separate cost centre has been set up in the accounting software in order to record any s137 expenditure and details of s137 expenditure is recoded in the minutes.

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

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

<b>Comment or recommendation from external auditor 2023-2024</b>	<b>Comment from internal auditor for this report</b>
The External Auditor issued an interim report dated 24 September 2024. It states that it needs to complete its review work before it is able to certify completion.	At the time of the internal audit, the External Auditor had not completed its review work.

## Recommendations for this report

Recommendations from internal auditor 2024-2025

Area for consideration or improvement	Recommendation
At the meeting on 15 January 2024 (minute reference COU/198/23-24 iv), the council resolved to agree and adopt the 2024-2025 budget. Details of the budget figures were presented to members but not recorded in the minutes.	Clearly identify budget figures in the minutes when approving the budget.

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

<p><b>Internal control objective:</b></p> <p><b>F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.</b></p> <p>The council does not operate a Petty Cash system, so I have ticked 'not covered' to control objective F.</p> <hr/> <p><b>K. If the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt.</b></p> <p>The authority had a limited assurance review of its 2023-2024 AGAR so I ticked 'not covered' to control objective K.</p>
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Yours sincerely,



Cathy Walsh  
Internal Auditor to the Council



## Section 2 - Accounting Statements 2024-2025

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	68,125	62,549
2. Annual precept	237,661	306,000
3. Total other receipts	64,693	61,306
4. Staff costs	151,082	163,408
5. Loan interest/capital repayments	0	0
6. Total other payments	156,848	134,083
7. Balances carried forward	62,549	132,364
8. Total cash and investments	83,438	160,689
9. Total fixed assets and long-term assets	638,396	642,638
10. Total borrowings	0	0

