

Internal Audit Report

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

Name of council:	Billing Parish Council		
Name of Internal Auditor:	Mrs TL Charteress	Date of report:	8 th April 2026
Year ending:	31 March 2026	Date audit carried out:	7 th April 2026

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:

Thank you very much to the Parish Clerk for supplying me with the information I requested to carry out this Annual Internal Audit. I have spoken with the Clerk, in person via Teams and conducted the audit remotely.

Results

The work completed is identified in the table below and action required is highlighted:

Area of Work	Observations/Points
Adoption of Policies	A review of the council's policies was conducted at the Annual Parish Council meeting in May 2025, and a resolution was passed to adopt them. Terms of reference of working groups were also agreed at this meeting.
Accounting Records	The Accounts were properly maintained during the financial year, and the correct carry forward figure was rolled over
Asset Register	The Asset Register & Disposal Policy was reviewed and approved. The Asset Register appears to be an accurate reflection of council owned assets
Bank Balances	Bank balances are reported monthly at council meetings and Minuted
Bank reconciliations	Bank reconciliations were reviewed and confirmed to be done on a regular basis with due care and attention and were reported to full

	council. Bank balances were confirmed to statements as at the 31 st of March 2026
Budget	The council followed due process for the agreement of the Budget. The finance working group met in November 2025 and the Budget was approved by council at the January 2026 meeting with a figure of £240,808.00. Progress against the budget was monitored regularly at full council
Digital and Data Compliance	The council meets all requirements expected of them detailed in the Accounts and Audit Regulations/Practitioners Guide
Earmarked Reserves	General reserves of £97,667.50 were earmarked at the meeting in May 2025 Cllrs discussed the remaining funds, and it was agreed that a small working group would determine what these funds are for and when they are expected to be used. A report was produced detailing this information. Earmarked Reserves were agreed at the March 2026 meeting
Grants	The Minutes detailed an application for a grant to provide a service to local people. The amount of the grant was significant, and I was pleased to note the Clerk followed due diligence advising Members of the criteria required to award a grant, following the Council's own policy. The maximum amount which can be awarded by the Council's policy is £3000.00
Insurance	Quotes were received for the Insurance premium. Council resolved to purchase insurance via Zurich at a cost of £3,904.15; a three-year term was approved
Internal Control	Internal Control is being completed quarterly and reported to council. It is noted that these processes and the controls for the safeguarding of public monies, are being reviewed following a Cllr proposal at the January 2026 council meeting. This review is also considering best practise for banking arrangements
Minutes of Meetings	Minutes were reviewed and were found to be in very good order.
PAYE & Pensions	Paye & Pensions were tested and found to be in good order. The council use a payroll provider. Payments to HMRC are paid through the payroll provider acting as agent, and Nest Pension payments are being paid monthly through the council's bank account. Following the increase in council activity, the council agreed to amend the Clerk's working hours and may well need to revisit that process
Payments	Payments followed due process and have been accounted for correctly
Precept	The council followed the correct procedure to agree the Precept Demand of £208,839.00 at the January 2026 full Council meeting
Procurement	A tender process was established for the purchase of new play equipment and followed due process NOTE: I cannot see any evidence of the Open Spaces Contract being reviewed in the last 3 years and have asked the Clerk to ensure there is a current, up to date, contract with current Public Liability Insurance
Risk Assessments	The council's Risk Assessments were adopted at the Annual Parish Council meeting in May 2025
VAT return	The balance as at 31 st March 2026. No errors were observed
Website	The website contained all necessary documents which were easily accessible and comply with the Transparency Code
Year-end procedures	Year-end procedures were carried out in the correct manner.

Summary

In my opinion the Council's books and records are in very good order and follow due process in all elements.

I wish the Council a very successful 2026/2027 and look forward to returning later this year.

Yours sincerely,



Mrs TL Charteress
Internal Auditor to the Council
07818 084231
tcharteress@gmail.com

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

	Year ending 31 March 2025	Year ending 31 March 2026
1. Balances brought forward	354,644	389,537
2. Annual precept	193,384	195,335
3. Total other receipts	31,773	35,901
4. Staff costs	68,767	76,990
5. Loan interest/capital repayments	0	0
6. Total other payments	121,497	87,359
7. Balances carried forward	389,537	456,424
8. Total cash and investments	388,565	453,912
9. Total fixed assets and long-term assets	291,358	292,880
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>.