

Internal Audit Report

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

Name of council:	Kettering Town Council		
Name of Internal Auditor:	Kate Houlihan	Date of report:	05/05/2024
Year ending:	31 March 2024	Date audit carried out:	03/05//2024

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:

I completed the year-end audit for Kettering Town Council on 3 May 2024. I would take this opportunity to thank Martin Hammond, the Clerk, for his 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 www.ketteringtowncouncil.gov.uk
- Reviewed a read-only copy of Scribe the councils accounting system.
- Completed an in-year audit in November 2023 (see my Interim Report dated 1 December 2023)
- Met with the Clerk on 04 May 2024.

I am happy to confirm that appropriate accounting records have been kept and accounting statements are supported by underlying records. I am satisfied that effective policies and procedures together with systems to manage, monitor and control the Council's business are in place. Based on the evidence provided to me I am satisfied the internal control objectives have been met, and I have completed and signed the Annual Internal Audit Report accordingly.

I would draw the council's attention to the following points:

- The figures for 2023 in the Annual Accounting Statement have been re-stated to correct a minor discrepancy in the VAT account.
- The Council has effective processes in place to ensure that Market Rents are collected in advance of events. In the rare instances where a bad debt occurs, it would be useful if the council had a policy to manage this. The Clerk can be given delegated authority to manage smaller debts, with larger debts being referred to the Finance and Governance Committee for consideration.
- The asset register has been updated and reflects the recent valuations of allotment land. It would be helpful if the council had a policy on management of assets and of the asset register. This should be in line with guidance in the Practitioners Guide 2024 and Revised Model Financial Regulations published by the National Association of Local Councils in May 2024.

Please do not hesitate to contact me if you have any queries relating to this report. I wish the council successful 2024-2025.

Yours sincerely,

K Houlihan

Ms Kate Houlihan
Internal Auditor to the Council

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

	Year ending 31 March 2023 RESTATED	Year ending 31 March 2024
1. Balances brought forward	21,957	163,968
2. Annual precept	325,000	400,000
3. Total other receipts	20,736	32,285
4. Staff costs	68,170	100,036
5. Loan interest/capital repayments	0	0
6. Total other payments	135,554	232,732
7. Balances carried forward	163,968	263,485
8. Total cash and investments	161,023	262,410
9. Total fixed assets and long-term assets	247,853	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 (2023)*. 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://www.northantscalc.com/practitioners-guide-2023>.