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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:	Rushton Parish Council		
Name of Internal Auditor:	Claire Tilley	Date of report:	19th May 2026
Year ending:	31 March 2026	Date audit carried out:	13th May 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 Chairman of the Council:

I recently conducted a remote audit with the Clerk, Meg Ellis, and that her for her time and assistance with the Audit process. Prior to this, I had examined the Minutes and polices available at https://rushtonparishcouncil.gov.uk/, and requested additional paperwork that Meg supplied. I am pleased to see that the Council have now ensured that the budget and precept process is correctly documented. They are also aware of a surplus in accounts, so have requested a much lower precept than the budget requirements. The other recommendations have been followed, except for the adoption of the Model Publication Scheme. As such I cannot agree that the Objective L for publication requirements has been achieved.

Have any comments from the internal audit 2024-2025 been addressed?

Recommendation 2024-2025	Comment
Adopt Model Publication Scheme to comply with the Freedom of Information Act	Not adopted
Adopt 2024 Model Financial Regulations – include details regarding councillor reimbursements	2024 version adopted May 2025
Consider, approve, adopt both budget and precept amounts	Completed this year
Salary review for Clerk	Completed this year

Qualified Opinion from the External Auditor

Observation 2024-2025	Comment
Stated that precept was set before the budget was approved: Consider, approve, adopt both budget and precept amounts	Both Budget and precept considered and Minuted this year
Non-compliance with Freedom of Information Act	No Model Publication Scheme in place

Areas in the 2025-2026 AGAR Annual Internal Audit Report for which Yes or N/A cannot be ticked

	Reason
L	**Still no Model Publication Scheme**

Recommendations for action 2025-2026

Areas for consideration or improvement	Recommendation
Publication Requirements	Authorities with total turnover or expenditure between £25,001 and £199,999 are not covered by either transparency code, but are still subject to the requirements of the Freedom of Information Act 2000 Action- Adopt the Model Publication Scheme in full and include the guide to information (available from the Information Commissioners Office) and provide information as to how members of the public can make a Freedom of Information Request
Risk Assessment	The Council has adopted and reviewed a Risk Assessment Policy; in May 2025 Min ref 17/25 however, the document currently reads more as a statement of internal controls than a comprehensive register of assessed risks. Consideration should be given to developing a formal risk register identifying specific risks, their likelihood/impact, mitigating controls, and emerging/ad hoc risks, to fully demonstrate compliance with governance expectations
Digital Compliance	The Council should formally adopt an IT Policy. However, as all other relevant procedures are in place, including completion of a data audit, I am satisfied that this objective has been met for the current year.
Payment Schedules	The Minutes make mention of these- but there is no publication. Council could consider adding them as an Appendix to the Agenda/Minutes for better transparency

Bank accounts	The Council may wish to consider consolidating the two bank accounts. At present, regular transfers are required between them in order to process bus-related payments. This arrangement could be simplified by operating a single account and allocating the bus-related funds to a separate budget line. In light of the forthcoming recruitment of a new Clerk, streamlining this process may also assist with administrative efficiency.

Yours sincerely,

Ms Claire Tilley
Internal Auditor to the Council
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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	69,035	76,900
2. Annual precept	9,041	9,493
3. Total other receipts	36,912	23,981
4. Staff costs	5,760	4,772
5. Loan interest/capital repayments	0	0
6. Total other payments	32,328	25,045
7. Balances carried forward	76,900	80,555
8. Total cash and investments	76,900	80,555*
9. Total fixed assets and long-term assets	146,692	147,837
10. Total borrowings	0	0

*Total matches bank reconciliation- but sum of 1+2+3 -4+5+6 is £2 adrift.

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2025)*. 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-2024.