Internal Audit Report

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

Name of council:	Twywell Parish Council		
Name of Internal Auditor:	Catherine Camp	Date of report:	19th May 2026
Year ending:	31 March 2026	Date audit carried out:	19th 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 Chair of the Council:

I met with Helen Keech, Clerk and Responsible Financial Officer, to carry out an Internal Audit for Twywell Parish Council. The Internal Audit took place via email correspondence with the clerk, a review of documents displayed on the Councll website, and a face to face zoom video-conferencing call.

Twywell has 7 seats on its Parish Council, and at the time of the Internal Audit, all the seats were filled. They need 3 councillors present to be quorate.
The Council does not act as a Burials Authority, nor manage a village hall, nor have responsibility for a Play Area. The council is not a trustee of a Trust fund.

Since income and expenditure were under £25,000 during the Audit year ending 31 March 2025 the council were able to declare themselves exempt from External Audit, and a certificate of exemption was approved and minuted and uploaded to the website by 1st July as required under the section 9 of Audit Regulations (Smaller Authorities) 2015. They can also declare themselves exempt for this current Audit year ending 31 March 2026.

I checked that last years Audit requirements had been met with regard to publication of documents to the website within the required time frame, and that the Internal Auditors report had been considered and reported to the Council. The Internal Auditors report was presented to council but the points raised were not actioned.
The Council still has no General Reserves Policy on the website, there is also no Equal Opportunities policy.

The Council has partly addressed Assertion 10 of the AGAR as they have a website with a corporate domain name which is accessible and the clerk is using a council specific email address. However the Council has not adopted an IT policy during the year, so I am unable to tick "Yes" to Item O on the AIAR form.

I examined the publicly available information posted on the parish website including Agenda's, Minutes, Financial records and policy documents.
Minutes show clear and robust financial reporting. The Council shows good Financial Internal control and compliance with proper practices as set out in the Practitioners Guide. The Asset register was not reviewed during year 2025/26 so I am unable to tick "Yes" to Item H on the AIAR form.

The Council manages Allotments, however there is no list of Allotment holders held by the Clerk, nor does the Clerk have copies of invoices sent out by the Allotment Association to tenants stating the payments due, so there is not a proper paper-trail to ensure all allotment income due is received. A robust system needs to be put in place to ensure that all income due is received, and properly accounted for. I am not able to tick "yes" to line E of the the AIAR as Allotment income is not properly recorded.

RESERVES ARE TOO LOW The Practioners Guide recommends that a council should hold between 3 -12 months of unallocated reserves. In a small council such as Twywell it is prudent to hold nearer to 12 months of unallocated reserves.
A Council CANNOT run out of money, so very careful management of funds must take place to ensure the council does not over-spend as there is insufficient financial leeway for any unexpected spend. This shortfall needs to be addressed in future years, and I am concerned to see that the Council has agreed to drop the precept from £16,743 to £10,002.56 for 2026/27. Spend against budget needs to be closely monitored.

During the financial year, Councillors have purchased items on behalf of the council rather than instructing the Clerk/RFO to make the purchase directly from the Parish Council account. This is bad practise. Decisions to spend public money must be made in Council meetings that are open to the public and the resolution to pay should be included in the minutes with payment made on receipt of invoice made payable to the council. This allows for transparency and allows VAT to be reclaimed.

I note that the Insurance Policy is due for renewal on 4th June 2026, however the Council did not approve the renewal at its May meeting. The council will need to hold an additional meeting before the renewal date to ensure that Insurance cover does not lapse.

The Annual Internal Audit Report, Annual Governance Statement, Accounting Statements, an analysis of variances and the bank reconciliation plus the information required by Regulation 15 (2), Accounts and Audit Regulations 2015 including the period for the exercise of public rights still need to be approved and signed at a Council meeting and, along with a copy of this certificate, published on the authority website before 1 July 2026.

On a number of occasions the Council has failed to approve policy documents presented to them, which are required to comply with legislation, or deferred decision making. The Council has reduced the Clerks working hours to from 5 hours to 3 hours per week. Realistically the role cannot be carried out on such a restricted time schedule and I would like to commend the Clerk who has done a heroic job keeping this council legally compliant.

Having tested aspects of the Council's internal controls based on the information made available to me I am satisfied that in all significant respects the internal control objectives were achieved throughout the year.

Please find attached the completed and signed Annual Internal Audit Report (AIAR) for 2025/26.

Yours sincerely,

Catherine M Camp

Mrs Catherine Camp FSLCC
Internal Auditor to the Council
07759 271507
cccampinternalauditor@outlook.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	16,695	4,459
2. Annual precept	7,463	16,743
3. Total other receipts	3,433	2,152
4. Staff costs	8,456	4,789
5. Loan interest/capital repayments	0	0
6. Total other payments	14,675	12,040
7. Balances carried forward	4,459	6,525
8. Total cash and investments	4,459	6,525
9. Total fixed assets and long-term assets	31,216	31,216
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 - The Practitioners Guide)*. 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.