

Eversholt Parish Council Internal audit 2022-23

*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 staff and management and not left for internal audit. This report is based on the evidence examined and made available to me. It would be incorrect to view internal audit as the detailed inspection of every record and transaction of the Council in order to detect error or fraud. 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 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:

Following discussion with Karen Barker, Clerk & RFO by mutual agreement, I carried out the audit remotely, by means of e-mail and a telephone meeting. I would thank Karen for her co-operation and assistance in delivering the audit; receiving the year-end data in good time ahead of the audit, together with the quick response to my queries has been very helpful to me.

I firstly 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 that the previous year's Internal Audit report had been properly reported to and where necessary acted upon by the Council; it had. I then examined the council's arrangements for the management and control of its business in the areas of bookkeeping, due process (ie compliance with the 'proper practices'* as set out in the Practitioners' Guide), risk management, budget setting and monitoring, payroll, asset register, bank reconciliations, internal control and year-end procedures and compliance with the display of information including the exercise of public rights.

Where necessary, I requested and was provided with supplementary evidence to enable me to reach a conclusion regarding the enquiries I am required to make as set out in the Annual Internal Audit Report (AIAR) that forms part of the council's Annual Governance and Accountability Return (AGAR). This supplementary information was provided in the form of written answers to the questions raised together with scanned documents including the Accounting Statements (section 2 of the AGAR) and the bank reconciliation and questioning at the audit meeting.

I identified no audit issues that I need to draw to the council's attention but having ascertained that following the recent elections, the council is eligible to adopt the General Power of Competence (GPOC) I would suggest that it would greatly benefit the council to do so; I have provided Karen with details of the benefits and the resolution the council needs to pass.

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 in all significant respects, 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.

John Marshall, CiLCA
Internal Auditor to the Council
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The figures submitted in the Annual Return are:

	Year ending 31 March 2022	Year ending 31 March 2023
1. Balances brought forward	6474	9875
2. Annual precept	7454	7454
3. Total other receipts	1500	7
4. Staff costs	4047	4175
5. Loan interest/capital repayments	0	0
6. Total other payments	1506	2845
7. Balances carried forward	9875	10,316
8. Total cash and investments	9875	10,316
9. Total fixed assets and long term assets	789	789
10. Total borrowings	0	0

*Please note the 'proper practices' required by the Accounts & Audit Regs 2015 that smaller authorities must follow are set out in sections 1 & 2 of the *Practitioners' Guide*; it also sets out the appropriate standard of financial reporting. A copy of the current (2023) version of the Guide and other useful information is available for free download from this page:

<https://www.pkf-littlejohn.com/services-limited-assurance-regime-useful-documents-and-links>