

Internal Audit Report

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

Name of council:	Charwelton Parish Meeting		
Name of Internal Auditor:	Gill Wells	Date of report:	9 th May 2024
Year ending:	31 March 2024	Date audit carried out:	9 th May 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 parish internal controls should be a day-to-day function of the meeting 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 parish meeting 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 Parish Meeting:

I carried out the audit remotely & I would like to thank the Clerk, Sue Porter, for her co-operation and assistance by forwarding the year-end data in good time which has been very helpful to me in delivering the audit.

I was disappointed to note the Parish Meeting does not yet have a website on which it can publicise its documents and, moreover, engage with the residents of the community further. It is good practice to have a website on which meetings, policies, procedures, agendas, minutes, financial and other records can be published and publicly available.

With the documents provided I examined the parish meeting’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 including the display of information including the exercise of public rights. As there is no website some of these tests could not be covered / evidenced.

Other than the lack of a website I would also like to draw the meetings attention to the budget process. The meeting should review the prepared budget initially and once the budget has been ratified the precept should then be agreed, separately. It is the budget that drives the precept demand. The calculation is thus:- anticipated year end bank balance + anticipated income (if any and not including the precept) – budgeted expenditure. The difference is the precept required. The meeting could be challenged by council tax payers if the procedure is not sufficiently robust.

Moreover, I can see no evidence of a review of the insurance schedule by the meeting. It is important that the insurance is reviewed annually to ensure it still meets the needs of the parish and formally recorded in the minutes.

Yours sincerely,



Mrs G Wells
Internal Auditor to the Council
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The figures submitted in the Annual Governance and Accountability Return are:

	Year ending 31 March 2023	Year ending 31 March 2024
1. Balances brought forward	9087	6405
2. Annual precept	4000	4000
3. Total other receipts	631	465
4. Staff costs	1040	1040
5. Loan interest/capital repayments	0	0
6. Total other payments	6273	3727
7. Balances carried forward	6405	6103
8. Total cash and investments	6405	6103
9. Total fixed assets and long-term assets	8205	8205
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>