

Internal Audit Report

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

Name of council:	Chelveston-Cum-Caldecott Parish Council		
Name of Internal Auditor:	Kate Houlihan	Date of report:	2-6-2023
Year ending:	31 March 2023	Date audit carried out:	31-05-2023

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 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 completed the year-end audit review of Chelveston-Cum-Caldecott Parish Council on 31 May 2023. I would take this opportunity to thank Mark Hunter, the Clerk, for his help and assistance.

To complete the audit, I:

- Reviewed documents supplied by the Clerk
- Reviewed information available on www.chelveston-pc.gov.uk
- Accessed a read-only version of the council's accounts system (Scribe Accounts)
- Met with the Clerk on 31st May 2023.

The website is well ordered and up to date. The council's governing documents are easy to access. All the documents relating to the prior year's AGAR were published in line with audit requirements.

By accessing Scribe, I followed the audit trail for several transactions, in all cases the audit trail was clear, payments were supported by invoices and matched the cashbook entry and were supported by invoices. The year end bank reconciliation was reviewed, and all was in order.

During the audit Mark and I discussed the council's procurement process, and internal controls in detail.

The council's procurement process is sound and is in line with the council's financial regulations.

The internal controls are fit for purpose, I have suggested, and the Clerk agreed, that it would be useful to circulate copies of invoices when asking councillors to sign off payments online. This is an added internal control check enabling councillors to check that bank details on invoices match the online transactions.

I reconciled the asset register to the previous year's asset figure. With the Clerk, we have suggested a minor amendment to the reporting within Scribe that will make this process easier.

I reviewed the financial risk assessment and several operational risk assessments; the risks the council faces are well mitigated.

Throughout the audit I tested aspects of the council's internal controls as required for the Internal Audit section of the Annual Return Form 3. I am satisfied that effective policies and procedures together with systems to manage, monitor and control the council's business are in place. Accordingly, I was able to answer 'yes' to all relevant questions.

Yours sincerely,

Kate Houlihan
Internal Auditor NcALC.

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

	Year ending 31 March 2022	Year ending 31 March 2023
1. Balances brought forward	10444	9958
2. Annual precept	11200	11700
3. Total other receipts	37924	17919
4. Staff costs	1	1
5. Loan interest/capital repayments	-	-
6. Total other payments	49607	29528
7. Balances carried forward	9958	10048
8. Total cash and investments	9958	10048
9. Total fixed assets and long-term assets	46204	51469
10. Total borrowings	-	-

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2022)*. 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/uploads/practitioners-guide-2022-8.pdf>