

Internal Audit Report

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

Name of council:	Stanwick Parish Council		
Name of Internal Auditor:	John Marshall	Date of report:	20.04.2023
Year ending:	31 March 2023	Date audit carried out:	19.04.2023

*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. It is important to note that managing the council's internal controls is a day-to-day function of the council through its staff and councillors and it would be incorrect to view internal audit as the detailed inspection of all records and transactions of the council in order to detect error or fraud. This report is based on the evidence made available to and seen by me. **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:

Following discussion with Jenny Hodgson, Clerk & RFO and by mutual agreement I carried out the audit remotely, by means of e-mail and a virtual meeting online platform. I would thank Jenny 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 and External Audit reports had been properly reported to and where necessary acted upon by the Council; they 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 and it is very much to the credit of the council and its competent and diligent clerk that the standards of compliance remain well above average. 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	123,841	139,911
2. Annual precept	71,545	71,545
3. Total other receipts	10,977	21,013
4. Staff costs	25,126	32,114
5. Loan interest/capital repayments	4,459	4,394
6. Total other payments	36,867	74,906
7. Balances carried forward	139,911	121,055
8. Total cash and investments	139,911	121,055
9. Total fixed assets and long term assets	183,441	182,254
10. Total borrowings	60,240	58,373

*Please note the 'proper practices' are those required by the Accounts & Audit Regs 2015. They are set out in sections 1 & 2 of the JPAG *Practitioners' Guide* that smaller authorities must follow; the Guide also sets out the appropriate standard of financial reporting. A copy of the current 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>