

# Internal Audit Report

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

Name of council:	Culworth Parish Council		
Name of Internal Auditor:	Julia Tufnail	Date of report:	19 May 2023
Year ending:	31 March 2023	Date audit carried out:	2 & 15 May 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 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 Chairman of the Council:

I would like to thank your ex-Clerk Jo, for her time and assistance during this year's audit which was conducted remotely using the NCALC checklist. It is noted that the Council uses a receipts and payments basis for its accounts and I can confirm that the accounts appear to be in good order. However, the AGAR accounting statements have not been signed yet and I have used the figures supplied. An RFO must be appointed asap and would mention that under LGA 72s112(5) the Council may appoint one or more of its members to be unpaid officers to sign Section 2.

I also bring to the Council's attention the following:-

1. The council did not approve a General or Financial Risk Assessment during the year. Both NCALC and SLCC can be of assistance here and these are required under the Accounts and Audit Regulations 2015. It is noted that all Councillors conduct Internal Controls on an ad hoc basis either before or at each meeting. This item has not been addressed from last year.
2. I can see the asset mapping being discussed but cannot find a link on the website or the Asset Register being approved by Council. This must be done at least annually, even if there are no changes. New cricket wicket & nets were purchased and should have been added. It is also noted that the car park and field have been upgraded significantly and revaluation of the asset should be considered.
3. Financial Regulations do not appear to have been approved during the year again. I am aware that new Regs are imminent and so should be adopted as soon as possible, to keep the council up to date.
4. The Council must register with the Pensions Regulator as soon as possible, again this was not addressed from last year.

Yours sincerely

*Julia Tufnail*

NCALC Internal Auditor

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

	<b>Year ending 31 March 2022</b>	<b>Year ending 31 March 2023</b>
1. Balances brought forward	24537	31617
2. Annual precept	23500	25000
3. Total other receipts	4836	147592
4. Staff costs	6473	6472
5. Loan interest/capital repayments	0	0
6. Total other payments	14783	155205
7. Balances carried forward	31637	42532
8. Total cash and investments	31637	42532
9. Total fixed assets and long-term assets	30514	30514
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 (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>