

# Internal Audit Report

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

Name of council:	Moulton Parish Council		
Name of Internal Auditor:	John Marshall	Date of report:	27.04.2023
Year ending:	31 March 2023	Date audit carried out:	27.04.2023

*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 Jane Austin, Executive Officer and Claire Connolly, Assistant Clerk and by mutual agreement I carried out the audit remotely, by means of e-mail and a virtual meeting online platform. I would thank Jane and Claire for their 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 scanned documents including the Accounting Statements (section 2 of the AGAR) and questioning at the audit meeting.

I found clear evidence of above average standards of compliance in the important areas of governance and financial management that is attributable to a combination of engaged councillors working with diligent staff supported by a competent accounting and financial services provider. I am therefore 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	735,775	641,074
2. Annual precept	330,000	363,000
3. Total other receipts	208,683	484,271
4. Staff costs	209,544	370,921
5. Loan interest/capital repayments	82,141	82,141
6. Total other payments	341,699	447,547
7. Balances carried forward	641,074	587,736
8. Total cash and investments	642,860	577,689
9. Total fixed assets and long term assets	3,267,390	3,321,673
10. Total borrowings	1,976,996	1,951,428

Please note the 'proper practices' required by the Accounts & Audit Regs 2015 and that smaller authorities must follow are set out in sections 1 & 2 of the JPAG *Practitioners' Guide*. 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>