

INTERNAL AUDIT REPORT – 2022/23

Cheddington Parish Council

1. Background

1.1. Local Councils, Internal Drainage Boards and other Smaller Authorities in England (includes Parish Councils) are expected to complete an annual return summarising their activities at the completion of each financial year.

1.2. One of the sections within the Annual Governance and Accountability Return (AGAR) Part 3 is to be completed by the Council's independent internal auditor, who is to give an opinion of the Council's internal controls.

2. Objectives of the Audit

2.1. To examine the system of internal controls to ensure that the Parish Council may obtain an adequate level of assurance for its activities.

3. Scope of the Work and the areas of Audit Work examined.

3.1 The Scope of Work covers the key control tests identified in the Annual Return.

3.2 In undertaking my review for the year to date I have had regard to the materiality of transactions in the year end statement (AGAR). I employed a combination of selective sampling techniques (Purchases), 100% on salaries and 75% checks (receipts) in order to gain sufficient assurance that the Council's financial and regulatory systems and controls are robust.

3.2 To complete the audit the following areas of activity have been reviewed, examined and sample tested by Internal Audit:

- Suppliers/Creditors, Payroll, Debtors/Income and Banking including bank reconciliations.
- Invoicing to and/or receipting of payments to/from users of parish facilities,
Asset Register

3.3. The audit findings of this report have been discussed with the Clerk of the Council and audit recommendations, if any, have been agreed with her.

4. Results

4.1. I examined the payroll for the financial year 2022/23 and all payments had been made correctly including HMRC and pensions. All VAT had been recorded and claimed correctly.

4.2. Creditors (Suppliers)

4.2.1 All expenditure was found to be correctly recorded and accounted for.

4.2.2 Expenses, if any, paid to Councillors were legitimate and approved correctly.

4.2.3. All donations paid had been agreed by the Council prior to payment being made and properly recorded in the Receipts & Payments records.

4.3. Debtors, Income collection and Banking

4.4 In 2022/23 all income due including allotment rents, was received, and promptly banked.

4.5. Accounting Records

4.5.1. All receipts and payments are recorded using the Rialto Alpha system and the Clerk carries out bank reconciliations when the bank statements are received.


4.6. Assets

4.6.1. There were £73,481 additions to the assets during the year, chiefly on new sports/playground equipment and the pavilion

5. Conclusions/Recommendations

5.1. The Internal Controls within the Parish Council and the resulting level of assurance given to the Members is good.

5.2 I have no recommendations to make to the council



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R J King FFA FIPA

Internal Auditor

25th April 2023

Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

CHEDDINGTON PARISH COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2023, that:

	Agreed		'Yes' means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		has only done what it has the legal power to do and has complied with Proper Practices in doing so.
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered and documented the financial and other risks it faces and dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		responded to matters brought to its attention by internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
			✓
			has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.

***Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.**

This Annual Governance Statement was approved at a meeting of the authority on:

03/05/2023

and recorded as minute reference:

56/23 a

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

SIGNATURE REQUIRED

Clerk

E.R. Roberts

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Section 2 – Accounting Statements 2022/23 for

CHEDDINGTON PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	104,152	83,486	<i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>
2. (+) Precept or Rates and Levies	95,000	107,000	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts	223,086	118,869	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs	16,360	21,851	<i>Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.</i>
5. (-) Loan interest/capital repayments	0	0	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	322,392	174,986	<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	83,486	112,518	<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments	83,486	112,518	<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.</i>
9. Total fixed assets plus long term investments and assets	496,107	569,588	<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
10. Total borrowings	0	0	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)				<i>The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.</i>
11b. Disclosure note re Trust funds (including charitable)			✓	<i>The figures in the accounting statements above do not include any Trust transactions.</i>

I certify that for the year ended 31 March 2023 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

E. R. Roberts **SIGNATURE REQUIRED**

Date

03/05/2023

I confirm that these Accounting Statements were approved by this authority on this date:

03/05/2023

as recorded in minute reference:

56/23b **REFERENCE**

Signed by Chairman of the meeting where the Accounting Statements were approved

[Signature] **SIGNATURE REQUIRED**