WISTOW PARISH COUNCIL

CARRYING OUT INTERNAL/EXTERNAL AUDITS PROCEDURE.

1.0 SYSTEM OF INTERNAL AUDIT

Scope of Internal Audit/Controls

The scope and extent of testing of Wistow Parish Council's internal controls is required in order that an adequate level of assurance may be obtained by the Council for the internal auditor to be able to complete his/her Annual Report.

It is important that where risks have been identified and internal controls have been put in place, that there is a system for checking that these are adequate and effective. Therefore, and in accordance with the statutory requirements, it is important that there is an independent internal audit to check, amongst other things, that the necessary controls in place.

Internal Auditors

The Council will source the internal auditor externally to ensure the following standards are met:

Scope of internal audit – ensure it covers all of the internal controls identified by the council which mitigate the risks identified.

Independence – that the auditor does not have any other role within the Council and that the testing is unbiased and objective.

Competence No evidence that internal audit work has not been carried out ethically, with integrity and objectivity – a good internal auditor will be able to make recommendations to improve controls.

Planning and reporting – an internal audit will be effective if those ultimately responsible, i.e. Members of the council, receive the relevant feedback and receive timely reports in order for them to approve and sign the annual return and to say whether the internal controls are effective.

The same internal auditor should not carry out Wistow Parish Councils internal audit for more than two successive years.

2.0 RELEVANT DATES

The Council's year end is 31 March. The Parish Clerk/RFO will complete the accounts for the year as soon as practicable after 31st March.

Review Date	January 2024	Next Review Date	January 2025

The accounts, and all related documents, will then be submitted to the Internal Auditor as soon as practicable after the year end accounts have been completed.

The Annual Return for the External Auditor including Statement of Accounts, Annual Governance Statement and Annual Internal Audit Report will be completed and submitted at a date agreed with them.

Section 1 of the Annual Return should be approved by the full council no later than 30th June.

The Clerk should display the audited or unaudited annual return by 30 September.

3.0 EXTERNAL AUDIT

The Audit Commission has appointed PKF Littlejohn LLP as auditor for Wistow Parish Council.

The external auditor details are as follows:

PKF Littlejohn LLP
Canary Wharf
London
E14 4HD
sba@pkf-littlejohn.com

4.0 AUDIT TRAIL

Internal Controls

The Council will have the following internal controls in place:

- Proper bookkeeping
- Financial Regulations: Standing Orders & Payment Controls
- Risk Management Arrangements
- Budgetary Controls
- Income Controls
- Assets Controls
- Bank Reconciliation
- Year-End Procedures

Audit Process

Following the completion of the annual accounts by the Parish Clerk/RFO the accounts will be issued to the Internal Auditor to carry out the audit exercise. The Internal Auditor will produce a report on the state of

the accounts. If the accounts are satisfactory no further action is required of the Internal Auditor and the Parish Clerk/RFO will inform the Council.

Should there be any discrepancies reported by the Internal Auditor these will be jointly investigated by the Parish Clerk/RFO and the Council until resolved. The accounts will then, if necessary, be re-issued to the Internal Auditor for final scrutiny and re-issue of report.

Following a satisfactory report from the Internal Auditor the accounts will be issued to the External Auditor along with all relevant information, at a date advised by them. The External Auditor will then produce a report on the state of the accounts. Should there be any issues raised they will be dealt with as per the required procedure. Completion of the audit will be reported to the Council.

5.0 RECORDS

The Parish Clerk will hold copies of the annual accounts together with copies of both the Internal and External Auditor's reports for a minimum period of ten years.