

Hevingham Parish Council

Internal Audit Report
Financial Year 2024/25

Prepared by Sonya Blythe
15 April 2025

I have completed an internal audit of the accounts for Hevingham Parish Council for the year ending March 2025.

My findings are detailed below using the tests provided in the Governance and Accountability (England) guidance.

Internal control	Test	Observations
Proper bookkeeping	Is the cashbook maintained and up to date? Is the cashbook arithmetically correct? Is the cashbook regularly balanced?	Yes Yes Yes
Standing Orders, Financial Regulations and payment controls	Has the council formally adopted Standing Orders and Financial Regulations? Date Standing Orders last reviewed	Yes February 24 minutes
	Date Financial Regulations last reviewed	January 25 minutes
	Has a Responsible finance officer been appointed with specific duties?	Clerk is RFO
	Are payments in the cashbook supported by invoices, authorised and minuted?	Yes, evidenced from invoice to bank account and minutes
	Has VAT on payments been identified, recorded and reclaimed?	VAT column in cashbook. Claim received June 24
	Is s137 expenditure separately recorded and within statutory limits?	Separate column in cashbook and within limit
	Have S137 payments been approved and included in the minutes as such?	Yes, power used and recorded in October 24 minutes
Risk management arrangements	Does a review of the minutes identify any unusual financial activity? Do minutes record the council carrying out an annual risk assessment or review of their risk management scheme?	No No - General / financial RA – January 24 Allotment RA – September 24 <i>See note</i>
	Is insurance cover appropriate and adequate?	Liability cover in place. Couldn't see fidelity cover?

Internal control	Test	Observations
	Are internal financial controls documented and regularly reviewed?	May 24
Budgetary controls	Has the council prepared an annual budget in support of its precept and has this been minuted as being approved?	2425 – December 23 minutes 2526 – December 24 minutes
	Has the precept been calculated from the budget and been approved?	24/25 – recorded as £18,000 2526 – recorded as £19,000
	Does the budget include an actual completed year?	Yes
Income controls	Is actual expenditure against budget regularly reported to the council?	Yes, reported most meetings
	Are there any significant unexplained variances from budget?	No
	Is income properly recorded and promptly banked?	Yes
Petty cash procedures	Does the precept recorded agree to the Council Tax authority's notification?	Statement £18,000 Remittance £18,000
	Is all petty cash spent recorded and supported by VAT invoices/receipts?	N/A
	Is petty cash expenditure reported to each council meeting?	N/A
Payroll controls	Is petty cash reimbursement carried out regularly?	N/A
	Do all employees have contracts of employment with clear terms and conditions?	Yes, seen previously
	Do salaries paid agree with those approved by the council?	Yes
	Are salaries above the National Living Wage/Minimum Wage?	Yes December - national pay award implemented
	Are other payments to employees reasonable and approved by the council?	Yes

Internal control	Test	Observations
	Have PAYE/NIC been properly operated by the council as an employer?	Yes, P60 received
Asset controls	Does the council maintain a register of all material assets owned or in its care?	Yes
	Are the assets and Investments registers up to date? When were these last reviewed?	Reviewed during March 25, minuted in April 25
	Do asset insurance valuations agree with those in the asset register?	Yes
Bank reconciliation	Is there a bank reconciliation for each account and is this reported to council?	Yes
	Is a bank reconciliation carried out regularly and in a timely fashion?	Yes, minuted each meeting
	Are there any unexplained balancing entries in any reconciliation?	No
	Is the value of investments held summarised on the reconciliation?	N/A
Year-end procedures	Are year-end accounts prepared using the correct accounting basis (Receipts and Payments or Income and Expenditure)?	Yes, R&P
	Do accounts agree with the cash book?	AGAR – £31300 Statements – 31,299.71
	Has a year-end bank reconciliation been undertaken?	Reconciliation - £31,299.71
	Is there an audit trail from underlying financial records to the accounts?	Yes, cashbook matched to bank account
	Where appropriate, have debtors and creditors been properly recorded?	N/A
Procedural	Is eligibility for the General Power of Competence properly evidenced?	N/A
	Have points raised on the last Internal Audit report been considered by council and actioned?	Email management – the JPAG Practitioners Guide states that “every authority should have an email account that belongs to the council and to which the council has access. Completed. Record S137 expenditure within minutes. Yes.

Internal control	Test	Observations
Transparency: For smaller councils with turnover under £25,000	<p>Minutes for whole year on website?</p> <p>Agendas for whole year on website?</p>	<p>Minute the annual review of the asset list, and receipt of the regular budget monitoring report. This ensures it is clear that Council have regularly received all financial information.</p> <p>Asset list review carried out March 25 but not minuted until April 25. Budget monitoring regularly minuted.</p> <p>Yes</p> <p>Yes</p>
	<p>Payments over £100 detailed on website?</p> <p>Electors' rights advertised on website?</p>	<p>Yes</p> <p>Yes</p>
	<p>Councillors' responsibilities detailed on website?</p>	<p>Yes</p>
	<p>Last financial year's AGAR on website?</p>	<p>Yes</p>
Burial Authorities only	<p>Land and building assets details on website? (Description, location, owner/leaseholder, date and cost of acquisition and present use)</p>	<p>Yes</p>
	<p>Are fees levied in accordance with the Council's approved scale of fees and charges?</p>	<p>N/A</p>
	<p>Have fees for the cemetery been reviewed and agreed by Council?</p>	<p>N/A</p>
	<p>Were comparisons made with other cemeteries prior to setting the fees?</p>	<p>N/A</p>
Allotments only	<p>Have burial books been kept up to date and are they safely stored?</p>	<p>N/A</p>
	<p>Has a list of allotment holders with amounts paid to Council been submitted?</p>	<p>Included within cashbook</p>

Internal control	Test	Observations
Councils with charities only	Have fees for the allotments been reviewed and agreed by Council?	September and October minutes (two sites)
	Have Charities reported and accounted separately?	N/A
	Have the Charity accounts been independently audited?	N/A
ICO	Have the Charity accounts and Annual Return been filed within the legal time limit?	N/A
	Is Council registered with the Information Commissioners Office?	Yes – March bank statement
General Data Protection Regulations	Has the Council adopted a Data Protection Policy?	Yes, reviewed July 24
Other	Has the Council put in place Privacy Notices?	Yes, published on website

Thank you to Karen for supplying everything so promptly.

- I have checked through your accounts and confirmed them against income and expenditure receipts, as well as against payments in your cashbook. Bank reconciliations are regularly carried out for the accounts.
- I have confirmed that your Financial Regulations and Standing Orders are up to date.
- I have noted that your VAT has been claimed within the past year.
- I have verified that your insurance is adequate.
- I confirm that your payroll management meets requirements
- I have reviewed your budget setting process and noted that you provide Council with regular spend against budget information
- I have reviewed the AGAR against your year-end bank reconciliations and your accounts

I have no concerns to raise and as such have signed the internal audit section of the AGAR.

Notes / recommendations for 25/26:

Internal Control C on the AGAR states: "This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these". Your risk assessment has not been reviewed since January 24, which falls outside of this financial year. I have ticked this box as completed as you did minute a RA of the allotments in September 24, and you have insurance in place. However in future please ensure that your risk assessment is updated and minuted in each financial year.

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Sonya Blythe
Internal auditor