

# **Wormegay Parish Council**

## **Internal Audit Report**

**For Wormegay Parish Council**

**Financial Year 24/25**

Prepared by Di Dann, CiLCA , FILCA, PIALC qualified

26<sup>th</sup> April 2025

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I have completed an internal audit of the accounts for Wormegay Parish Council for the year ending 31<sup>st</sup> March 2025.

My findings are detailed below using the tests provided in the **Governance and Accountability (England) March 2024**.

**I would like to thank the Clerk/RFO for providing me with all the information required for the Internal Audit.**

Internal control	Test	Observations
Proper bookkeeping	Is the cashbook maintained and up to date?	Yes – see below
	Is the cashbook arithmetically, correct?	Yes – see below
	Is the cashbook regularly balanced?	Yes
Standing Orders, Financial Regulations and payment controls	Has the council formally adopted Standing Orders and Financial Regulations?	Yes
	Date Standing Orders last reviewed	Adopted January 2025
	Date Financial Regulations last reviewed	Adopted January 2025
	Has a Responsible Financial Officer been appointed with specific duties?	Yes – see below
	Have items or services above the de minimus amount been competitively purchased?	Yes
	Are payments in the cashbook supported by purchase orders, invoices, authorised and minuted?	Yes – see below
	Has VAT on payments been identified, recorded and reclaimed?	Yes - to March 2024 Claim for 2024 /25 outstanding
	Has s137 expenditure been approved and separately recorded and within statutory limits? (where applicable)	Yes – see below
	Are Financial Regulations followed?	Yes

Internal control	Test	Observations
Risk management arrangements	Does a review of the minutes identify any unusual financial activity?	No
	Do minutes record the council carrying out an annual risk assessment or review of their risk management scheme?	Yes – January 2025
	Is insurance cover appropriate and adequate?	Yes
	Are internal financial controls documented and regularly reviewed?	Yes
Budgetary controls	Has the council prepared an annual budget in support of its precept and has this been minuted as being approved?	Yes
	Has the precept been calculated from the budget and been approved?	Yes
	Does the budget include an actual completed year?	Yes
	Is actual expenditure against budget regularly reported to the council?	Yes
	Are there any significant unexplained variances from budget?	No
Income controls	Is income properly recorded and promptly banked?	Yes
	Does the precept recorded agree to the Council Tax authority's notification?	2024 /25 £6100 Yes
	Are security controls over cash and near-cash adequate and effective?	No Cash

Internal control	Test	Observations
Payroll controls	Do all employees have contracts of employment with clear terms and conditions?	In preparation for new employee  Locum Clerk in place Dec – Feb 2025
	Do salaries paid agree with those approved by the council?	Yes
	Are salaries above the National Living Wage/Minimum Wage?	Yes
	Are other payments to employees reasonable and approved by the council?	Yes
	Have PAYE/NIC been properly operated by the council as an employer?	Yes – from December 2024
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?	January 2025
	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

Internal control	Test	Observations
	Are there any unexplained balancing entries in any reconciliation?	No
	Is the value of investments held summarised on the reconciliation?	Yes
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?	Yes – see below
	Has a year-end bank reconciliation been undertaken?	Not available
	Is there an audit trail from underlying financial records to the accounts?	Yes – see below
	Where appropriate, have debtors and creditors been properly recorded?	Not applicable
Procedural	Have points raised on the last Internal Audit report been considered by council and actioned?	Yes – November 2024
	Policy documents routinely updated?	Adopted January 2025
Transparency: For smaller councils with turnover under £25,000	Minutes for whole year on website?	Yes
	Agendas for whole year on website?	Yes
	Payments over £100 detailed on website?	No – see below
	Electors' rights advertised on website?	No – see below

Internal control	Test	Observations
	Councillors' responsibilities detailed on website?	Yes
	Last financial year's AGAR on website?	No – see below
	Land and building assets details on website? (Description, location, owner/leaseholder, date and cost of acquisition and present use)	No – see below
Burial Authorities only	Are fees levied in accordance with the Council's approved scale of fees and charges?	No Burials 24 / 25
	Have fees for the cemetery been reviewed and agreed by Council?	Yes
	Were comparisons made with other cemeteries prior to setting the fees?	Unknown
	Have burial books been kept up to date and are they safely stored?	Unknown
General Data Protection Regulation (compliance from 25 May 2018)	Has the Council put in place a privacy policy?	Yes – January 2025
	Is it on the website?	Yes
FOI Publication Scheme	Is there an FOI Publication Scheme?	See below
	Is it on the website?	
	Is it updated?	

### **Summary of my recommendations:**

Advice concerning the “No” Boxes M and N

Box M – The Electors Rights Notice was not published on the Council’s website. The Electors Rights Notice and the Information concerning Electors Rights should be published on the Council’s website. The dates of Electors Rights should also be included in the Minutes of the meeting which approves AGAR.

Box N – The Council did not advertise AGAR on its website. The Exemption Certificate, AGAR Governance Statement, Accounting Statement, Year End Bank Reconciliation and Reasons for Variations, and the Internal Auditors Report must be published on the website.

### **Recommendations:**

**Transparency - Payments** The Council has a duty under the Transparency Code 2015 to publish the following details: Items of expenditure over £100.

### **To complete AGAR the following must be done**

Year End Bank Statement to include

Opening balance at 1<sup>st</sup> April 2024

Add all Receipts, Less all Payments

Closing Balance at 31<sup>st</sup> March 2025

This needs to be done for both Bank Accounts.

This should equate to the total in the Cash Book (Lloyds and Unity)

Detail of Variations (+ / - 20%) between AGAR 23/24 and 24/25 totals

Variations must detail the item and the amount. The Variations in the Assets total should be included in this.

AGAR Salaries Box. Locum Officers salary must not be included in the Staff salaries Box. They should be included in the “Other” payments. Note as well that the final payment to the Locum Clerk included expenses – again this should be transferred to “Other” payments.

### **S137 column in the Cash Book**

Noted that there was one payment which was not included in the s137 column - £50 towards a Christmas Party.

Noted that there was one payment to an individual. This is not permitted under s137 and is considered an ultra vires payment – i.e. against the law.

### **Reserves Policy**

Noted that there was a recommendation to include a General Reserve of £11,000. Recommendations concerning General Reserves vary but this figure of £11,000 is high. Council should consider transferring some of this (£5000) to the cemetery. Reading the Cemetery Plan detailed by the Locum Clerk there appears to be considerable work which could be needed in the cemetery – boundary registration; signage; planning permission; professional advice and so on.

### **Data Protection**

The use of members of the public names in minutes should be avoided.