

Barton Bendish Parish Council

Internal Audit Report

For Barton Bendish Parish Council

Financial Year 24/25

Prepared by Di Dann, CiLCA , FILCA, PIALC qualified

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I have completed an internal audit of the accounts for Barton Bendish Parish Council for the year ending 31st 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
	Is the cashbook arithmetically correct?	Yes
	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	July 2023 – see below
	Date Financial Regulations last reviewed	July 2023 – see below
	Has a Responsible Financial Officer been appointed with specific duties?	Yes
	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
	Has VAT on payments been identified, recorded and reclaimed?	Yes Claimed to 31 st March 2024
	Has s137 expenditure been approved and separately recorded and within statutory limits? (where applicable)	No S137 payments made
	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 - November 2024
	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?	Yes
	Are security controls over cash and near-cash adequate and effective?	N/A

Internal control	Test	Observations
Payroll controls	Does the employee have a Contract of employment with clear terms and conditions and a job description? Is PAYE / NIC being properly operated by the Council and is the employee issued with a payslip? Is a time sheet kept?	Yes Yes See below
	Do salaries paid agree with those approved by the council and are they above the National Living Wage / Minimum Wage? Are other payments to employees reasonable and approved by the council?	Yes Yes Yes
Asset controls	Does the council maintain a register of all material assets owned or in its care? Are the assets and Investments registers up to date? When were these last reviewed?	Yes Yes 2023/24 2024/25 (on 2nd April 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? Is a bank reconciliation carried out regularly?	Yes 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?	At budget time
Year-end procedures	Are year-end accounts prepared using the correct accounting basis (Receipts and Payments or Income and Expenditure)?	R & P
	Do accounts agree with the cash book?	Yes
	Has a year-end bank reconciliation been undertaken?	Yes
	Is there an audit trail from underlying financial records to the accounts?	Yes
	Where appropriate, have debtors and creditors been properly recorded?	N/A
Procedural	Have points raised on the last Internal Audit report been considered by council and actioned?	Yes
	Policy documents routinely updated?	Yes – see below
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?	In Financial reports given at Council Meetings

Internal control	Test	Observations
	Electors' rights advertised on website?	Yes – see below
	Councillors' responsibilities detailed on website?	Yes
	Last financial year's AGAR on website?	Yes
	Land and building assets details on website? (Description, location, owner/leaseholder, date and cost of acquisition and present use)	The Council owns no land or property.
General Data Protection Regulation (compliance from 25 May 2018)	Has the Council put in place a privacy policy?	Yes
	Is it on the website?	Yes
FOI Publication Scheme	Is there an FOI Publication Scheme?	Yes
	Is it on the website?	Yes
	Is it updated?	March 2023
Code of Conduct	Is it on the website	Yes

Summary of my recommendations:

Electors Rights – Note that External Audit recommends that the dates for Electors Rights dates should be noted in the minutes.

Clerk's Time Sheet – recommended that the Clerk should keep one time sheet of work detailing PC and for the Charity.

Standing Orders and Financial Regulations – at next review increase thresholds in line with recent increases. Alsos, the new Procurement Act & Regulations will require changes to Standing Orders / Financial Regulations at the next review. The new Procurement Act came into force in February 2025. This means references to the Public Contracts Regulations 2015 or the Utilities Contracts Regulations 2016 (now both repealed) should be replaced with the Procurement Act 2023 and the Procurement Regulations 2024. Also, the previous requirement for open initiations for contracts over £30,000 including VAT must have been

advertised on Contracts Finder – this has been replaced with a need to advertise on the Find a Tender website. For contracts exceeding £30,000 plus VAT where the contract is not being advertised but instead selected contractors are asked to quote or tender, there is no requirement to publish the details on Find a Tender, although the contract award notice would still need to be posted once awarded.

Consider simplifying the Regulations appropriate for a small council such as Barton Bendish.