

SUBJECT:..... Internal Audit Report for the Financial Year 2024..to..2025
TO:..... Cleeve Parish Council
FROM:..... Clerk of Kenn Parish Council
DATE COMPLETED: 1 May 2025

In completing Annual Governance & Accountability Report (AGAR *page 4*), I have carried out the following:

- An inspection of the accounts for the year ...2024/2025.
- I cross referenced these with the minutes of and reports to the Parish Council against the bank statements, excel documents of income/expenditure/reserves, Payroll records etc. Selection of invoice etc spot checks.
- I checked figures brought forward from the 2023/2024 AGAR against those recorded in the 2024/2025 AGAR return. Also checked the Explanation of Variances between the two AGAR returns.
- Reviewed the Parish Council's website for appropriate documentation and transparency.

		Required Control Objectives	Internal Audit Observations
A	Yes	Appropriate accounting records have been kept properly throughout the year.	The Clerk has extensive excel records and appropriate accounting records which have been kept up-to-date over the financial year and reported this to the Parish Council.
B	Yes	This authority complied its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	<ul style="list-style-type: none"> • The PC's Financial Regulations show good practice regarding expenditure and signature policy both physically for cheques and for online banking. • Cross referenced minutes for the PC's approval on expenditure, precept, salary approval etc. • VAT is identified separately in the excel account docs, I verified these, and the claims are made as appropriate
C	Yes	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	The Cleeve PC's Risk Management document was included with those provided for the audit. Financial regulations are in place, for which an annual review (along with other policies/documents etc) is carried out and decisions recorded in the minutes.
D	Yes	Precept or rates requirement resulted from an adequate budgetary process; progress against the budget is regularly monitored; and reserves were appropriate.	<ul style="list-style-type: none"> • Cleeve PC's minutes show review of NSC's "Delivering Together" consultation, along with its possible impact. • Information was provided prior to the precept setting meeting for councillors' decision making. • Regular monitoring is provided and carried out against agreed budgets throughout the year.
E	Yes	Expected income was fully received, based on correct prices, properly recorded, banked; and VAT was accounted for.	I crossed referenced minutes for reporting of receipts, along with checks against bank statements, accounts and remittance documents. Also checked the situation related to two contractors where VAT wasn't shown – to ensure a possible VAT claim hadn't been overlooked.
F	N/A	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, & VAT is appropriately accounted for.	Petty cash is not used, the Clerk applies for refunds for appropriate expenditure incurred by him. VAT for these purchases is reclaimed.
G	Yes	Salaries to employees and allowances to members were paid in accordance with this smaller authority's approval, and PAYE/NI requirements properly applied.	Salary payments are shown in the minutes and the PC's record of payment approval. Salaries/HMRC requirements are met and are shown separately within the excel docs. The Clerk's employment contract was provided, I checked the that the Village Orderly had a contact – confirmed. One payment to the Chairman's allowance was recorded.
H	Yes	Asset, investments registers were complete, accurate and maintained.	Assets register maintained, reviewed and appropriate purchases, write-offs agreed. The Reserve Ac is identified and interest received shown.

I	Yes	Periodic & year-end bank account reconciliations properly carried out.	Evidence provided of regular bank reconciliations being undertaken and reported.
J	Yes	Accounting statements prepared on the correct accounting basis (receipts and payments or income expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	Receipts and payments accounting basis (suitable for smaller councils with gross annual income less than £250,000) applied and can easily be audited.
K	Yes	If the authority certified itself as exempt from limited assurance review in ...2024 / 2025, it met the exemption criteria and correctly declared itself except.	In 2023/24 an External Auditor's limited assurance audit was required. For the 2024/25 Cleeve PC returns to within the remit of being able to certify themselves as 'Exempt', that is the gross income or total gross annual expenditure did not exceed £25,000
L	Yes	The authority publishes information on a website/webpage, up to date at the time of the internal audit, in accordance with the Transparency Code.	<ul style="list-style-type: none"> • End of year accounts, bank reconciliations, fixed assets, precept – budget monitoring provided within minutes ✓ • annual governance statement ✓ • Internal audit report ✓ • List of councillors and Chairman, with link to interests ✓ • Minutes, agendas and meeting papers of formal meetings ✓ • List of expenditure above £100 – not found
M	Yes	The authority has demonstrated that during the required set period of 2023 / 24 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.	<p>Couldn't locate this notice on the website for 2023/24.</p> <p>Copy of the appropriate notice was requested and supplied for 2024/25 and will be displayed on the parish's noticeboards and hopefully provided on the PC's website.</p>
N	Yes	The authority has complied with the publication requirements for 2023/2024 AGAR	Confirmed – a few tweaks (eg. expenditure over £100) discussed with the Clerk and his assurances were given that it will be provided
O	N/A	Trust Funds	Not applicable to Cleeve Parish Council

Notes to support the above:

- Before I started my audit, I checked the External Auditors for 2023/24, in their limited assurance audit, to ensure no request for any particular subject/topic needed to be addressed. None were identified.
- 'L' above – Councillors home addresses are shown in the Cleeve website, however, are not compulsory, as just being available to be contacted by the public directly by email and/or phone is acceptable.
- My suggestion on the 2023/24 accounts has been implemented, ie. identifying separately claims for the council's mobile phone and claim for Home Office's Clerk's use of home for an office.
- Identifying expenditure against earmarks was not shown. However, a total sum held in reserves for each project are identified in 'Budget 2024/25' and listed in the Auditor's Explanation of Variances document.
- I requested a sample of various documents, also proof of how online banking is managed – to ascertain the general procedures followed for procurement, meeting legal and auditable requirements are in place

Based on my checks, carried out and reported as above, in my opinion the Council's accounts for the Financial Year 2024/2025 have been well managed and present a fair and accurate picture of Cleeve Parish Council's activities.

Internal Audit conducted by: Eleanor Wade.....Parish Clerk and RFO of Kenn Parish Council

Signature:.....*Eleanor E Wade*..... Dated:.....1 May 2025.....