Annual Internal Audit Report 2024/25

BLIDWORTH PARISH COUNCIL

www.blidworthparishcouncil.org.uk

During the financial year ended 31 March 2025, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2024/25 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.		✓	
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			✓
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.		✓	
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.		✓	
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. **If** the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")*			✓
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.		✓	
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations *(during the 2024-25 AGAR period, were public rights in relation to the 2023-24 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).*	✓		
N. The authority has complied with the publication requirements for 2023/24 AGAR *(see AGAR Page 1 Guidance Notes).*	✓		

	Yes	No	Not applicable
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken: 07/05/2025 DD/MM/YYYY DD/MM/YYYY

Name of person who carried out the internal audit: SUSAN STACK

Signature of person who carried out the internal audit

Date 07/05/2025

***If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).**

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

10	Total borrowings	0	0
11	Section 4 annual return figures completed and cross referenced	Yes	Yes

Summary	**At the time of the visit there were a number of items that were being re-visited by the Clerk and this audit is based on that work being completed and reported to the Council. Item B has been marked as NO because the Financial regulations had not been updated/reviewed/affirmed and a number of invoices marked as VAT not claimable by a locum Clerk on the invoices had VAT shown on the payments spreadsheet. VAT reclaim had not been made in the last 6 months and it was scheduled to be done. A larger number of purchases (relative to previous years) had been made by Councillors rather than via the Clerk which caused the VAT reclaim issue as the invoices did not have the Parish Council name on them which is one of the requirements. It is generally accepted that an employee making a purchase is deemed to be on behalf of the Council as it is in relation to their job but this is not the case with Councillors and other third parties. Therefore it is good practice for Councillors not to purchase goods on behalf of the Council but ask the Clerk to do so in order that the Council can fully recover the VAT. Item G has been marked No as there were errors in payments to the pension provider during the year and the payslips of the lengthsman had inconsistent amounts on them which are still, I understand from the Clerk to be investigated. The Payment of a vehicle allowance had switched from a P11D system to via Payroll with no reason to do so identified in the records that were available. Item I has been marked No as the signing of bank reconciliations not consistent (refer to Fin Reg 2.2) and not signed by the Councillors at any point in the year and no original bank statement signed for the latter half of the year. Reconciliations on the spreadsheet did not balance and I understand that these are in the process of being updated retrospectively in order to give continuity to the records. Item L has been marked as No because a number of items legally required to be on the website within a time frame have not been loaded. I understand that the Clerk is planning to do an audit of what is on there and update accordingly. Other items of concern is that a locum Clerk has been allowed to operate a personal WhatsApp via the Council laptop that was still running at the time of the visit. This is inappropriate and I understand that the new Clerk is seeking advice on how to remove it.**

NOTES

The Clerk and/or RFO should certify the accounts before the full council approves them.