Brundall Parish Council

Internal Audit Report
Financial Year 2024/25

Prepared by Sonya Blythe
5 June 2025

I have completed an internal audit of the accounts for Brundall 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?	Yes (Rialtas accounts)
	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	March 25
	Date Financial Regulations last reviewed	June 24
	Has a Responsible finance officer been appointed with specific duties?	Yes, Clerk is RFO
	Are payments in the cashbook supported by invoices, authorised and minuted?	Yes, large sample evidenced from invoice to minutes and bank accounts
	Has VAT on payments been identified, recorded and reclaimed?	VAT accounted for on Rialtas; claims made throughout year Over £7500 business VAT deminimus level - see note
	Is s137 expenditure separately recorded and within statutory limits?	N/A
	Have S137 payments been approved and included in the minutes as such?	N/A
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?	May 24 minutes
	Is insurance cover appropriate and adequate?	Fidelity and liability cover in place
	Are internal financial controls documented and regularly reviewed?	May 24 minutes

Internal control	Test	Observations
Budgetary controls	Has the council prepared an annual budget in support of its precept and has this been minuted as being approved?	2425 – December 23minutes 2526 – December 24 minutes
	Has the precept been calculated from the budget and been approved?	24/25 – recorded as £162,620 2526 – recorded as £173,820
	Does the budget include an actual completed year?	Yes
	Is actual expenditure against budget regularly reported to the council?	Reported at Land Management Committee but not Council
	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?	Statement £162,620 Remittance £162,620
Petty cash procedures	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
	Is petty cash reimbursement carried out regularly?	N/A
Payroll controls	Do all employees have contracts of employment with clear terms and conditions?	Seen previously
	Do salaries paid agree with those approved by the council?	Yes
	Are salaries above the National Living Wage/Minimum Wage?	Yes October minutes - national pay award implemented
	Are other payments to employees reasonable and approved by the council?	Yes, expenses seen
	Have PAYE/NIC been properly operated by the council as an employer?	Yes, payslips seen, payments made to HMRC by BACS

Internal control	Test	Observations
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?	May 24 minutes
	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?	Reported to Council quarterly
	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, I&E
	Do accounts agree with the cash book?	AGAR – £264,807 (259,276.00 with creditors and debtors accounted for) Statements – 259,275.35
	Has a year-end bank reconciliation been undertaken?	Reconciliation - 259,275
	Is there an audit trail from underlying financial records to the accounts?	Yes, cashbook matched to bank statements
	Where appropriate, have debtors and creditors been properly recorded?	Yes
Procedural	Is eligibility for the General Power of Competence properly evidenced?	Yes, May 23 minutes
	Have points raised on the last Internal Audit report been considered by council and actioned?	None
Transparency: For larger councils with turnover over £200,000	Minutes for whole year on website?	Yes
	Agendas for whole year on website?	Yes

Internal control	Test	Observations
	Payments over £500 detailed on website?	Yes
	Electors' rights advertised on website?	Yes
	Councillors' responsibilities detailed on website?	Yes
	Last financial year's AGAR on website?	Yes
	Procurement card transactions detailed on website	Yes (included in payments)
	Invitations to tender for goods or services detailed on website	Yes
	Contracts with a value of over £500 detailed on website	Yes
	Staffing chart on website	Yes
	Details of grants awarded available on website	Yes
	Waste collection contracts on website	Yes
	Land and building assets details on website? (Description, location, owner/leaseholder, date and cost of acquisition and present use)	Yes
Burial Authorities only	Are fees levied in accordance with the Council's approved scale of fees and charges?	Yes
	Have fees for the cemetery been reviewed and agreed by Council?	September 24 minutes
	Have burial books been kept up to date and are they safely stored?	Excel, held by Clerk
Allotments only only	Has a list of allotment holders with amounts paid to Council been submitted?	Included within accounts

Internal control	Test	Observations
	Have fees for the allotments been reviewed and agreed by Council?	July 24 minutes
Councils with charities only	Have Charities reported and accounted separately?	N/A
	Has the Council been named as Sole Trustee on the Charity Commission Register?	N/A
	Are the Charity meetings and accounts recorded separately from those of the Council?	N/A
ICO	Is Council registered with the Information Commissioners Office?	March 25 bank statement
General Data Protection Regulations	Has the Council adopted a Data Protection Policy?	January 25 minutes
	Has the Council put in place Privacy Notices?	January 25 minutes
Other		N/A

Thank you to Claudia 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

-Your risk management policies are up to date

- I have reviewed your budget setting process and noted that you provide Committee 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:

For complete transparency for parishioners, it is recommended that when setting the budget and precept you minute the Band D precept amount, as well as the full precept.

Full budget monitoring should be brought to Council at least quarterly, as well as to Committees, so that Council are confident that they retain the balances that are required to manage outgoings

As noted last year, Your VAT reclaims have put you over the £7500 deminimus level that Council's can claim for business VAT in any financial year. I am not able to give expert VAT advice, but your minutes confirm that professional advice has been taken from Elysian and Minerva.

Sonya

Sonya Blythe
Internal auditor