Brundall Parish Council

Internal Audit Report
Financial Year 2025/26

Prepared by Sonya Blythe
30 May 2026

I have completed an internal audit of the accounts for Brundall Parish Council for the year ending March 2026.

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)
	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	April 25
	Date Financial Regulations last reviewed	April 25
	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, selection of payments followed from invoice, to bank statement and minutes
	Has VAT on payments been identified, recorded and reclaimed?	VAT recorded separately in cashbook, claimed April 25 and March 26
	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?	April 25
	Is insurance cover appropriate and adequate?	Yes, liability cover in place
	Are internal financial controls documented and regularly reviewed?	Reviewed April 25

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?	25/26 – December 24 minutes 26/27 – December 25 minutes
	Has the precept been calculated from the budget and been approved?	25/26 – recorded as £173,820 26/27 – recorded as £186,440
	Does the budget include an actual completed year?	Yes
	Is actual expenditure against budget regularly reported to the council?	May 25 and January 26 minutes
	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 £173,820 Remittance £173,820
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?	Yes, seen previously
	Do salaries paid agree with those approved by the council?	Yes
	Are salaries above the National Living Wage/Minimum Wage?	Yes July - national pay award implemented
	Are other payments to employees reasonable and approved by the council?	Yes Credit card now held for most expenses
	Have PAYE/NIC been properly operated by the council as an employer?	Yes, P60's provided, payments made to HMRC

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?	Yes, approved October 25 minutes
	Do asset insurance valuations agree with those in the asset register?	Yes, new items and building added in 25/26
Bank reconciliation	Is there a bank reconciliation for each account and is this reported to council?	Yes, reconciliations in place for five accounts. Minuted as received by Council April 25 and January 26
	Is a bank reconciliation carried out regularly and in a timely fashion?	Monthly
	Are there any unexplained balancing entries in any reconciliation?	No
	Is the value of investments held summarised on the reconciliation?	EMR report received All savings accounts on reconciliation
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 – £386,704 (box 8) £387,763 (box 7) Statements - £386,704.36
	Has a year-end bank reconciliation been undertaken?	Reconciliation - £386,704.36
	Is there an audit trail from underlying financial records to the accounts?	Yes, cashbook checked against bank statements
	Where appropriate, have debtors and creditors been properly recorded?	Yes, reconciliation between box 7 and 8 provided
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?	When setting the budget and precept you minute the Band D precept amount, as well as the full precept. -Yes

Internal control	Test	Observations
		Full budget monitoring should be brought to Council at least quarterly - no
Transparency: For larger councils with turnover over £200,000	Minutes for whole year on website?	Yes
	Agendas for whole year on website?	Yes
	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
	Land and building assets details on website? (Description, location, owner/leaseholder, date and cost of acquisition and present use)	Yes
	Procurement card transactions detailed on website	Yes
	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
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 – not in 25/26

Internal control	Test	Observations
	Have burial books been kept up to date and are they safely stored?	Stored within office
Allotments only only	Has a list of allotment holders with amounts paid to Council been submitted?	Included within accounts
	Have fees for the allotments been reviewed and agreed by Council?	Yes, April 25 Land Management Committee 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 data processed appropriately / Is Council registered with the Information Commissioners Office?	March 26 – HSBC account
General Data Protection Regulations	Has the Council adopted a Data Protection Policy?	Yes
	Has the Council put in place Privacy Notices?	Yes
Assertion 10 – Digital and Data compliance	Email address - Does authority must have a generic email account hosted on an authority owned domain,	Yes
	Website – Does website meet legal accessibility guidelines	Yes
	Has IT policy been adopted?	Yes
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.

- 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 and that your risks have been assessed

- I confirm that your payroll management meets requirements

- I have reviewed your budget setting process

- 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 26/27:

-There were two spend against budget reports minuted in 25/26. In order for Council to have a clear picture of the accounts you should be provided with spend against budget reports as a minimum quarterly.

-Item 2.6 of your Financial regulations states: "At least once in each quarter, and at each financial year end, a member other than the Chair or a cheque signatory shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign and date the reconciliations and the original bank statements (or similar document) as evidence of this. This activity, including any exceptions, shall be reported to and noted by the council".
I could only see in your minutes the reconciliations being reported to Council twice in the financial year. I can see from the accounting files that reconciliations have been completed monthly, but to confirm that you complete the requirements of Section I of the Internal Audit report on the AGAR you should ensure that you are following your FRs and minuting this regularly as required.

-Your cemetery fees should be reviewed annually in order for Council to be assured that they align with maintenance and staff costs.

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Sonya Blythe
Internal auditor