

SALTFLEETBY PARISH COUNCIL

INTERNAL AUDIT 2024/2025

MRS J. COOPER

I have undertaken the Internal Audit for Saltfleetby Parish Council and make the following observations:

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| A. BOOKS OF ACCOUNTS | There is no single cashbook, but all income is listed and all expenditure listed on spreadsheet. |
| B. INVOICES | Invoices and payments are recorded on spreadsheet, VAT is noted separately. |
| C. RISKS | Risk Assessment noted as being discussed in January 2025, and Financial Regulations noted as being discussed in March 2025 but no actual resolution to approve Standing Orders, Risk Assessment or Financial Regulations in the audited financial year. |
| D. PRECEPT | Precept approved in November 2024 but no supporting document to show budget heads. |
| E. INCOME | Expected income was properly accounted for, being mainly the precept. |
| F. PETTY CASH | No petty cash held – reimbursement to Clerk made on receipts |
| G. SALARIES/PAYE | Salaries and PAYE are recorded and there is understood that the Inland Revenue RTI system is used. This system will produce salary slips which show that the correct tax has been deducted, it would be beneficial to next audit to include evidence from the HMRC system. |
| H. ASSETS AND INVESTMENTS | The Asset Register is not shown as being updated in the current financial year. |
| I. PERIODIC/YEAR END | No evidence of bank statement reconciliation having been done throughout the year, but there is a final bank balance which matches the bank statements. |
| J. STATEMENTS | With there being no cashbook kept it is not an easy audit trail to match accounting statements to cashbook, particularly as the expenditure spreadsheets includes transfers. |
| K. EXEMPTION | The authority declared itself as exempt from audit in year 23/24 |
| L. WEBSITE | The AGAR forms and Internal Audit report are published for year 23/24 |
| M. EXERCISE PUBLIC RIGHTS | The notice for exercise of Public Rights for is published under the heading for 23/24, and the dates between which the accounts can be examined are correct (being in 2024 for the preceding financial year), however the pre-populated heading refers to accounts year end to 31 st March 2023 . It is probably just the form was re-used from the previous year. (see attached) |
| N. PUBLICATION | The 23/24 AGAR forms were published on the councils website |
| O TRUST FUNDS | There are no Trust Funds. |

My observations are:

VAT claim – last claim appears to be to December 2023. There is no evidence of a claim made to cover the last three months of 23/24 year, or for the year 24/25, although this might be in hand.

The lack of a cashbook makes an good audit trail back to paperwork slightly difficult, and to include transfers in general expenditure appears to show expenditure over the £25,000 threshold for exemption certification. It is noted that these are internal transfers and not actual expenditure.

Policies – it is good practice, if possible, to approve all policies in the first instance at the May Annual Council meeting, with any amendments being noted for approval at following meetings. A Financial Risk Assessment will show the Council has considered financial risks (Item 5 on Governance Statement).

Approval of AGAR forms – there is a set sequence that the AGAR needs to be approved – Certificate of Exemption, Governance, Accounts and Internal Audit report and it would be prudent to list approval in order should the Council be subject to an external audit.

With those slight observations I am happy that the accounts are correct and there are no financial issues of concern.

J. Cooper BSc

30th April 2025