Western Valley Parish Council

Internal Audit 2024/2025

Internal Auditor: Allison Leigh

Internal Control Objective A: Appropriate accounting records have been properly kept throughout the financial year.		
Process	**Findings**	**Recommendations**
Bookkeeping arrangements	The Council uses Scribe. Payments are recorded properly.	There are no further recommendations on the day-to-day bookkeeping. If the Council's bank balances exceed £100,000, the Council should consider an investment strategy.
Internal Control Objective B: This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.		
Process	**Findings**	**Recommendations**
Financial regulations	The Financial Regulations are in place and are complied with.	It could be useful when considering quotes to minute that other quotes were considered, if they were. An example would be the noticeboard where 3 quotes aren't required, but it wasn't clear if others were considered.
Internal Control Objective C: This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.		
Process	**Findings**	**Recommendations**
Review of effectiveness of Internal Controls	The Council has reviewed the effectiveness of the internal audit as well as its Statement of Internal controls at the February 2025 meeting.	No further recommendations.

Review of Risk Assessment	The Risk Assessment was reviewed at the February 2025 meeting.	The Council could consider a review of the Risk Assessment earlier in the financial year to establish how risks will be managed.
Internal Control Objective D: The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.		
Process	**Findings**	**Recommendations**
Budgeting and precept	The precept was determined based on an approved budget agreed by the Council.	No further recommendations
Budget monitoring	The budget was monitored throughout the financial year	No further recommendations.
Reserves	The Council has adequate reserves.	The Council could consider a reserves policy.
Internal Control Objective E: Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.		
Process	**Findings**	**Recommendations**
Income controls	Income is appropriately received and recorded.	No further recommendations.
VAT	VAT has been appropriately accounted for and a claim for 24/25 has been made at year end.	No further recommendations.
Internal Control Objective F: Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.		
Process	**Findings**	**Recommendations**

Petty cash accounts	The Council does not have petty cash.	No further recommendations.
Internal Control Objective 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.		
Process	**Findings**	**Recommendations**
Payroll controls	The hours and salary scale have been minuted and payroll properly carried out.	No further recommendations.
Internal Control Objective H: Asset and investments registers were complete and accurate and properly maintained.		
Process	**Findings**	**Recommendations**
Asset controls – all additions and removals correctly recorded	Additional have been properly recorded. There were no disposals, only a re-stated amount due to an issue regarding clarity of ownership.	No further recommendations.
Asset controls – Deeds and title established and shown on the asset register	N/A	
Investment registers	N/A	
Assets reviewed	Prior to 2025 there have not been assets to inspect other than office items.	For 25/26 it could be useful to minute the asset inspection (i.e. the noticeboard), even if annually.
Internal Control Objective I: Periodic bank account reconciliations were properly carried out during the year.		
Process	**Findings**	**Recommendations**
Bank Reconciliations	Bank reconciliations are properly done monthly.	No further recommendations.

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<table>
<tr><td colspan="3">Internal Control Objective 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.</td></tr>
<tr><td><u>Process</u></td><td><u>Findings</u></td><td><u>Recommendations</u></td></tr>
<tr><td>Accounting statements</td><td>Quarterly budget reviews are carried out.</td><td>No further recommendations.</td></tr>
<tr><td></td><td></td><td></td></tr>
<tr><td colspan="3">Internal Control Objective 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”)</td></tr>
<tr><td><u>Process</u></td><td><u>Findings</u></td><td><u>Recommendations</u></td></tr>
<tr><td>Not covered</td><td>Not covered</td><td>Not covered</td></tr>
<tr><td></td><td></td><td></td></tr>
<tr><td colspan="3">Internal Control Objective 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.</td></tr>
<tr><td><u>Process</u></td><td><u>Findings</u></td><td><u>Recommendations</u></td></tr>
<tr><td>Information published on the website</td><td>The information is available on the website.</td><td>No further recommendations.</td></tr>
<tr><td></td><td></td><td></td></tr>
<tr><td colspan="3">Internal Control Objective 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 2023-2024 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).</td></tr>
<tr><td><u>Process</u></td><td><u>Findings</u></td><td><u>Recommendations</u></td></tr>
<tr><td>Exercise of Public Rights</td><td>The exercise of public rights was properly carried out with a period of 3/6/24 – 12/7/24.</td><td>No further recommendations.</td></tr>
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Internal Control Objective N: The authority has complied with the publication requirements for 2023/24 AGAR (see AGAR Page 1 Guidance Notes).		
Process	**Findings**	**Recommendations**
AGAR Publication requirements	The Council complied with the publication requirements for the 2023/2024 AGAR.	No further recommendations.
Internal Control Objective O: (***For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.***		
Process	**Findings**	**Recommendations**
Not applicable	Not applicable	Not applicable

Transparency compliance

Process	**Criteria**	**Findings**	**Recommendations**
Compliance with the Transparency Code	Expenditure over £100 is recorded on the Council website	This is on the website.	No further recommendations.
Compliance with the Transparency Code	The following material to be put on the website in addition to the Statement of Accounts from the 24/25 AGAR: a. Bank reconciliation b. Explanation of Variances	a. The bank reconciliation is on the website. b. The variances are on the website. c. N/A	No further recommendations.

	c. Any explanation of differences between boxes 7 and 8		
Compliance with the Transparency Code	Annual Governance Statement on the website	This is on the website.	No further recommendations.
Compliance with the Transparency Code	Annual Internal Audit Report on the website	This is on the website.	No further recommendations.
Compliance with the Transparency Code	List of councillor or member responsibilities on the website	This is on the website.	No further recommendations.
Compliance with the Transparency Code	Location of Public land and building assets on the website	No land/buildings are owned.	No further recommendations.
Compliance with the Transparency Code	Minutes, agendas and papers of formal meetings on the website	They are on the website.	No further recommendations.

Further comments and recommendations:

1. The Council could consider a purchase card. Two examples of where this could be used are for the Microsoft subscription and the Cloud Next hosting which currently appear to be paid via the Clerk’s personal account.

2. Councillors should consider training courses. OALC does run a Roles and Responsibilities course for a whole council where they will come to the Council and can do an evening session if that is of assistance to the Council. This can be an effective format for some councils.

3. The Council and Clerk should be commended on addressing the findings of the Internal Audit for 2023/2024. This is just a reminder that the February minutes should be signed at the April meeting prior to answering the questions on the Annual

Governance Statement for 24/25.

4. The Council and Clerk should be commended on the standard of operation of the Council for 2024/2025.