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Burgh & Tuttington Parish Council

Internal Audit Report

For Burgh & Tuttington Parish Council

Financial Year 2024/2025

Prepared by
Maureen Anderson-Dungar
12 May 2025

Actions for your Council are now:

1. Discuss this report with your Council and take any appropriate action. This should be minuted.

I have completed an internal audit of the accounts for Burgh & Tuttington Parish Council for the year ending 31 March 2025.

My findings are detailed below

I would like to thank the Clerk for providing me with the information required for the Internal Audit.

Internal control	Test	Observations
Proper bookkeeping	Is the cashbook maintained and up to date?	Yes
	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	5 March 2025
	Date Financial Regulations last reviewed	5 March 2025
	Has a Responsible finance officer been appointed with specific duties?	The Clerk is also the RFO.
	Have items or services above the de minimus amount been competitively purchased?	N/A
	Are payments in the cashbook supported by purchase orders, invoices, authorised and minuted?	Yes to invoices and authorisation in Minutes. The Council does not operate a purchase order system.
	Have legal powers been identified for purchases?	Not specifically, but all expenditure was within the Council's legal powers.
	Has VAT on payments been identified, recorded and reclaimed?	Separate column in cash book, but no expenditure this year that attracted VAT..
	Is s137 expenditure separately recorded and within statutory limits?	The Council resolved to use the General Power of Competence on 10 May 2023
	Are S137 payments commensurate?	See comment above.

Internal control	Test	Observations
	Have S137 payments been approved and included in the minutes as such?	See comments above.
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?	Risk Policy last reviewed in May 2022, but new schedule of policy reviews agreed in March 2025.
	Is insurance cover appropriate and adequate?	Yes
	Are internal financial controls documented and regularly reviewed?	All income and expenditure reconciled to bank statements and presented to each meeting with payments for authorization.
Budgetary controls	Has the council prepared an annual budget in support of its precept and has this been minuted as being approved?	Yes, budget was presented, discussed and approved on 8 November 2023
	Has the precept been calculated from the budget and been approved?	Yes
	Does the budget include an actual completed year?	Yes
	Is actual expenditure against budget regularly reported to the council?	Yes
	Are there any significant unexplained variances from budget?	None
Income controls	Is income properly recorded and promptly banked?	Income received via BACS
	Does the precept recorded agree to the Council Tax authority's notification?	Yes
	Are security controls over cash and near-cash adequate and effective?	No cash held
Petty cash procedures	Is all petty cash spent recorded and supported by VAT invoices/receipts?	The authority does not operate a petty cash system.

Internal control	Test	Observations
	Is petty cash expenditure reported to each council meeting?	See comment above.
	Is petty cash reimbursement carried out regularly?	See comment above.
Payroll controls	Do all employees have contracts of employment with clear terms and conditions?	The Clerk's contract was agreed in July 2023, and a copy provided for last year's audit. There have been no changes.
	Do salaries paid agree with those approved by the council?	Yes.
	Are salaries above the National Living Wage / Minimum Wage?	Salary in line with NALC/SLCC recommendations. .
	Are other payments to employees reasonable and approved by the council?	None identified
	Have PAYE/NIC been properly operated by the council as an employer?	Yes
Asset controls	Does the council maintain a register of all material assets owned or in its care?	Computer is only asset identified.
	Where appropriate, are these inspected annually?	Reviewed during the year
	Are the assets and Investments registers up to date?	See comments above
	Do asset insurance valuations agree with those in the asset register?	See above.
Bank reconciliation	Is there a bank reconciliation for each account and is this reported to council?	Bank balances are reported to each Council meeting. End year bank reconciliation included with accounts.
	Is a bank reconciliation carried out regularly and in a timely fashion?	See comments above.
	Are there any unexplained balancing entries in any reconciliation?	None
	Is the value of investments held summarised on the reconciliation?	Yes

Internal control	Test	Observations
Year-end procedures	Are year-end accounts prepared on the correct accounting basis (Receipts and Payments or Income and Expenditure)?	Receipts and Payments
	Do accounts agree with the cashbook?	Yes
	Has a year end bank reconciliation been undertaken?	Included with accounts and agrees with bank statements.
	Is there an audit trail from underlying financial records to the accounts?	Yes
	Where appropriate, have debtors and creditors been properly recorded?	Not applicable
	Is the Council adhering to the Transparency Code? (only relevant for councils with turnover of under £25,000) See Supplementary Page 1	Yes

Procedural	Have minutes been signed by the Chairman?	Yes, signed copy provided.
	Has the Chairman initialled each page of the Minutes Book?	Yes.
	Has the Chairman signed the original year end bank statements?	Will be addressed when accounts and AGAR documents are presented.
	Has the Chairman signed the year end bank reconciliation?	Will be signed when accounts and AGAR documents are presented
	Is eligibility for the General Power of Competence properly evidenced?	Yes, in Minutes of May 2023 Meeting.
	Have points raised on the last Internal Audit report been considered by council and actioned?	Yes, see below

Summary of my recommendations:

I am pleased to note that all the recommendations in the previous report have been addressed, see below:

- New financial regulations have been prepared and agreed
- Standing Orders have been reviewed and research is under way to see if there is a simplified version for use by smaller councils.
- The Council has a schedule for policy reviews.

Recommendations going forward:

As outlined on the Supplementary Sheet, the Council has not complied with the requirements regarding publication of financial information. This is due to the Clerk not having access to update the website and relying on a Councillor to do it.

The Council accepted a proposal and quotation for a new website at its March 2025 meeting, and the Clerk has advised that the work is in progress. The Clerk will have responsibility for maintaining the website and will ensure that it is up to date with all the outstanding financial information.

M E Anderson-Dungar

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Signed

12 May 2025

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Date