Sporle with Palgrave Parish Council

Internal Audit Report
Financial Year 2024/25

Prepared by Sonya Blythe
1 May 2025

I have completed an internal audit of the accounts for Sporle with Palgrave 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 (Scribe 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	December 24 minutes
	Date Financial Regulations last reviewed	November 24 minutes
	Has a Responsible finance officer been appointed with specific duties?	Clerk is RFO
	Are payments in the cashbook supported by invoices, authorised and minuted?	Yes, evidenced from invoice to bank statement and minutes (minutes until September) – see note
	Has VAT on payments been identified, recorded and reclaimed?	Claim received April 24 VAT accounted for on Scribe
	Is s137 expenditure separately recorded and within statutory limits?	Column on Scribe, within limits
	Have S137 payments been approved and included in the minutes as such?	Wreath purchased – not recorded in minutes
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?	November 24 minutes
	Is insurance cover appropriate and adequate?	Liability and fraud cover in place
	Are internal financial controls documented and regularly reviewed?	December 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 – January 24 minutes 2526 – December 24 minutes
	Has the precept been calculated from the budget and been approved?	24/25 – recorded as £35,387.00 2526 – recorded as £37,500.56
	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?	No
Income controls	Is income properly recorded and promptly banked?	Yes
	Does the precept recorded agree to the Council Tax authority's notification?	Statement £35387 Remittance £35387
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, contract seen
	Do salaries paid agree with those approved by the council?	Yes
	Are salaries above the National Living Wage/Minimum Wage?	Yes November - national pay award implemented
	Are other payments to employees reasonable and approved by the council?	Yes
	Have PAYE/NIC been properly operated by the council as an employer?	Payments made by BACS to HMRC, P60 provided

Internal control	Test	Observations
Asset controls	Does the council maintain a register of all material assets owned or in its care?	Yes, asset list provided
	Are the assets and Investments registers up to date? When were these last reviewed?	November 24 minutes
	Do asset insurance valuations agree with those in the asset register?	Mostly – I couldn't see on the schedule where the streetlights were insured
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 each meeting
	Are there any unexplained balancing entries in any reconciliation?	No
	Is the value of investments held summarised on the reconciliation?	N/A
Year-end procedures	Are year-end accounts prepared using the correct accounting basis (Receipts and Payments or Income and Expenditure)?	Yes, R&P
	Do accounts agree with the cash book?	Yes AGAR – £21946 Statements - £21945.77
	Has a year-end bank reconciliation been undertaken?	Reconciliation - £20391.07 (£21945.77 with uncashed payments)
	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?	N/A
Procedural	Is eligibility for the General Power of Competence properly evidenced?	N/A
	Have points raised on the last Internal Audit report been considered by council and actioned?	Email management – the JPAG Practitioners Guide states that "every authority should have an email account that belongs to the council and to which the council has access – this ideally would be a .gov.uk or .org.uk address or could be an address

Internal control	Test	Observations
		linked to the council website”. No – see note As one of the categories on the AGAR specifically references risks being assessed within the year, I would recommend that you review your risk register annually going forwards. Yes.
Transparency: For smaller councils with turnover under £25,000	Minutes for whole year on website?	Yes
	Agendas for whole year on website?	Yes
	Payments over £100 detailed on website?	Until September
	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)	No land owned
Burial Authorities only	Are fees levied in accordance with the Council’s approved scale of fees and charges?	N/A
	Have fees for the cemetery been reviewed and agreed by Council?	N/A
	Have burial books been kept up to date and are they safely stored?	N/A
Allotments only only	Has a list of allotment holders with amounts paid to Council been submitted?	N/A
	Have fees for the allotments been reviewed and agreed by Council?	N/A

Internal control	Test	Observations
Councils with charities only	Have Charities reported and accounted separately?	Yes
	Has the Council been named as Sole Trustee on the Charity Commission Register?	Yes
	Are the Charity meetings and accounts recorded separately from those of the Council?	Yes
ICO	Is Council registered with the Information Commissioners Office?	April 24 bank statement
General Data Protection Regulations	Has the Council adopted a Data Protection Policy?	Yes, published on website
	Has the Council put in place Privacy Notices?	Published on website (contact details within need updating)
Other		Charity – changes noted re name / trustees etc

Thank you to Lolly 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, subject to a note above re streetlights.

- 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 Council 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:

Email address – the JPAG Practitioners Guide states that “All Parish, Town and Community Councils are eligible to use, and are advised to use, a .gov.uk domain for their websites and email communications. Your community, suppliers and partners will now reasonably expect a local council to have a .gov.uk domain name”. This is advice rather than a requirement, so I flag it for information only.

Expenditure reporting – all payments (excluding staffing) should be reported within minutes or recorded separately on the website so that parishioners can see clearly see what precept has been spent on. I understand there has been a problem producing reports from Scribe, which the Clerk is working on.

-When using S137 for payments, the payment should clearly be identified within the meeting minutes as using this power. This will confirm that Councillors are collectively expressing an opinion as to the commensurate local benefit of the expenditure.

Sonya

Sonya Blythe
Internal auditor