

INTERNAL AUDIT CHECKLIST

Council: Holcolombe Rogus Parish Council

Date: 7th April 2025

Appropriate accounting records have been properly kept throughout the year AND Periodic bank account reconciliations were properly carried out during the year

REVIEW	COMMENT	Action Required
Ensure the correct roll forward figures of the prior year's cashbook balances to the new financial year.	Roll over figure from 2023/24 is £21,435.	
Check a sample of financial transactions in cashbooks to bank statements, etc: the sample size dependent on the size of the authority and nature of accounting records maintained.	Review of the Scribe accounts has been undertaken.	
Ensure that bank reconciliations are prepared routinely, are subject to independent scrutiny and sign-off by members.	Bank reconciliations are completed on a monthly basis. Council uses Scribe accounting software. Quarterly reports submitted to Council for approval. Account information is posted on the website.	
Verify the accuracy of the year-end bank reconciliation detail and ensure accurate disclosure of the combined cash and bank balances in the AGAR, section 2, line 8.	AGAR has been reviewed. End of year balances are correct and have been checked against the relevant bank statements.	
Where the authority has bank balances in excess of £100,000 it has an appropriate investment strategy.	N/A	

This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for.

REVIEW	COMMENT	Action Required
Review the procedures in place for acquisition of formal tenders and quotes, ensuring they are in line with the SOs and FRs which should be based on the latest version.	Outlined in Standing Orders and Financial Regulations and followed.	Recommend that the Financial Regulations are updated in line with the new NALC template. Copy forwarded.
Ensure that consistent values are in place for the acquisition of formal tenders between SOs and FRs (frequently different limits are recorded in the two documents)	Standing Orders and Financial Regulations cross reference correctly.	
Review the procedures for receipt of invoices, agreement of invoice detail and confirmation of goods/services delivery and approval for payment: ideally, a suitably designed certification stamp should be in place providing for evidencing of these checks and payment authorisation.	Procedures are appropriate. All accounts for payment are considered and approved by Council prior to payment.	
Check that there is effective segregation between the writing of cheques or the setting up of online payments, and physical release of payments.	All banking and payments are now electronic. Payments are approved at Council and then paid online.	
Check that VAT reclaims are prepared and submitted in a timely manner in line with the underlying records and in accordance with current HMRC requirements	VAT claims are normally submitted annually.	Ensure that a VAT claim is submitted at year end. VAT claim for 2022/23 has been received.
Where debit / credit cards are in use, establish the total monthly and individual transaction limits and ensure appropriate controls over physical security and usage of the cards are in place	N/A	

This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.		
REVIEW	COMMENT	Action Required
Ensure that authorities have prepared, and formally adopted, at least once annually, an appropriate and comprehensive register of assessed risks, both regular and ad hoc.	Risk Management Strategy in place and is reviewed regularly by the relevant committee.	
Ensure that appropriate levels of insurance cover are in place for land, buildings, public, employers' and hirers' (where applicable) liability, fidelity / employees (including councillors) liability, business interruption and cyber security.	Adequate insurance cover is in place.	
Ensure that appropriate arrangements are in place for monitoring play areas, open spaces and sports pitches: such reviews should be undertaken by appropriately qualified external inspectors or, if by officers or members, that they have received the appropriate training and accreditation.	Annual inspections of the playground are undertaken and referenced in the minutes. Monthly inspections are carried out and reported to Full Council with any actions listed.	
Review the effectiveness of internal control carried out by the authority.	Internal controls adhere to the Financial Regulations and are robust.	

The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.		
REVIEW	COMMENT	Action Required
Ensure that the full Authority, not a committee, has considered, approved and adopted the annual precept for the coming year in accordance with the required parent Authority timetable.	Minute 11.9.3.5 for 2024/25 precept Minute 11.8.2 for 2025/26 precept	Recommend that the amount of precept is included in the formal minute rather than just the 2% increase.
Ensure that current year budget reports are prepared and submitted to Authority/Committees periodically during the year with appropriate commentary on any significant variances.	Budget reports are provided to Full Council quarterly and uploaded on to the website.	

The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.		
REVIEW	COMMENT	Action Required
Review the budget performance either during the year or at the financial year-end seeking explanations for any significant or unanticipated variances.	These are presented quarterly alongside the accounts.	
Ensure that the Authority has considered the establishment of specific earmarked reserves and, ideally, reviews them annually as part of the budget assessment process	Earmarked Reserves are reported quarterly and outlined within the accounts. These are published on the website.	
Ensure that the precept received in the accounts matches the prior year submission form to the relevant authority and the public record of precepted amounts .	Checked and correct.	

Expected income was fully received based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.		
REVIEW	COMMENT	Action Required
Review "Aged debtor" listings to ensure appropriate follow up action is in place.	None identified.	
Leases: ensure that leases are reviewed in a timely manner in accordance with the terms of the lease and rents similarly reviewed appropriately at the due time.	No leases are in place.	
Other variable income streams: ensure that appropriate control procedures and documentation are in existence to provide a clear audit trail through to invoicing and recovery of all such income.	Income is received electronically. No cash income is collected. All income recorded and presented monthly as part of the agenda.	
Where amounts are receivable on set dates during the year, ensure that an appropriate control record is maintained duly identifying the date(s) on which income is due and actually received / banked.	All in order.	

Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.		
REVIEW	COMMENT	Action Required
A number of authorities are now running down and closing their petty cash accounts and using debit / credit cards for ad hoc purchases. Consequently, a “Not covered” response is frequently required in this area.	Council does not operate a petty cash account. Expenses are presented to Full Council and reimbursed accordingly.	

Salaries to employees and allowances to members were paid in accordance with the authority’s approvals, and PAYE and NI requirements were properly applied.		
REVIEW	COMMENT	Action Required
Ensure that, for all staff, a formal employment contract is in place together with a confirmatory letter setting out any changes to the contract.	Contract for Clerk is in place and signed.	Recommend that the appointment of the new Clerk is formally resolved and minuted in the Full Council minutes.
Ensure that appropriate procedures are in place for the payment of members allowances and deduction of any tax liability	No members allowances paid.	
Ensure that, for a sample of staff salaries, gross pay due is calculated in accordance with the approved spinal point on the NJC scale or hourly rate, if off-scale, and also with the contracted hours.	Only one member of staff employed. Salary payments are presented to Council and approved. Tax and NI is correctly administered.	
Check the correct treatment of Pension contributions	No pension payments are made. Clerk is not a member of a pension fund.	
For NI, ensure that the correct deduction and employer’s contributions are applied: NB. The employers’ allowance is not available to councils but may be used by other authorities	NI threshold not reached.	

Asset and investment registers were complete and accurate and properly maintained. This section/assurance includes loans to or by the authority		
REVIEW	COMMENT	Action Required
Tangible Assets		
Ensure that the Authority is maintaining a formal asset register and updating it routinely to record new assets at historic cost price, net of VAT and removing any disposed of or no longer serviceable assets.	Asset register in place and updated annually. Revised asset register is published on the website.	
Physically verifying the existence and condition of high value, high risk assets may be appropriate.	Assets have not been checked physically.	
The register should identify for each asset the purchase cost and, if practicable, the replacement/insured cost, the latter being updated annually and used to assist in forward planning for asset replacement.	Asset register records purchase cost which is rounded up for final AGAR value. Insurance cover provides replacement and insurance values.	
Additions and disposals records should allow tracking from the prior year to the current.	Disposals and write offs are minuted appropriately and the asset register updated accordingly.	
Ensure that the asset value to be reported in the AGAR at section 2, line 9 equates to the prior year reported value, adjusted for the nominal value of any new acquisitions and / or disposals.	AGAR has recorded the updated figure (£47,519)	
Compare the asset register with the insurance schedule to ensure that all assets as recorded are appropriately insured or "self-insured" by the Authority.	Review undertaken. No issues have been identified.	Recommend that Council continues to review replacement values of assets to ensure cover is adequate.
Fixed asset investments:		
Ensure that all long-term investments (i.e., those for more than 12 month terms) are covered by the "Investment Strategy" and reported as Assets in the AGAR at section 2, line 9.	No long-term investments in place.	

Asset and investment registers were complete and accurate and properly maintained. This section/assurance includes loans to or by the authority

REVIEW	COMMENT	Action Required
Borrowing & Lending:		
Ensure that the authority has sought and obtained appropriate DMO approval for all loans acquired	Council currently has no loans.	

Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cashbook, supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded.

REVIEW	COMMENT	Action Required
To ensure that the financial detail reported at section 2 of the AGAR reflects the detail in the accounting records maintained for the financial year.	Checked and correct.	
Ensure that appropriate accounting arrangements are in place to account for debtors and creditors during the year and at the financial year-end.	All in order. Council uses the Scribe Accounting system.	

If the authority certified itself as exempt from a limited assurance review in the prior year, it met the exemption criteria and correctly declared itself exempt.

REVIEW	COMMENT	Action Required
<p>Ensure that, all relevant criteria are met (receipts and payments each totalled less than £25,000)</p> <ul style="list-style-type: none"> the correct exemption certificate was prepared and minuted in accordance with the statutory submission deadline that it has been published, together with all required information on the Authority's website and noticeboard 	Not covered.	

The authority publishes information on a free to access website / web page, up to date at the time of the internal audit in accordance with the relevant legislation.

REVIEW	COMMENT	Action Required
Review the Authority's website ensuring that all required documentation is published in accordance with the relevant legislation.	Previous AGARs published from 2017/18 so meeting the 5 year historical requirement.	

The authority, during the previous year, correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations.

REVIEW	COMMENT	Action Required
Examine a copy of the required "Public Notice" ensuring that it clearly identifies the statutory 30 working day period when the Authority's records are available for public inspection.	Notice examined and correct.	
Check whether council has minuted the relevant dates at the same time as approving the AGAR	This was not minuted in 2024/25	Recommend that the Public Notice dates are formally minuted as part of the approval of the AGAR.

The authority complied with the publication requirements for the prior year AGAR.

REVIEW	COMMENT	Action Required
Ensure that the statutory disclosure/publication requirements in relation to the prior year's AGAR have been met as detailed on the front page of the current year's AGAR.	Checked and correct.	

Trust funds (including charitable) - the Council met its responsibilities as a trustee

REVIEW	COMMENT	Action Required
Confirm that all charities of which the council is a Trustee are up to date with CC filing requirements	Council is not a Trustee.	