



# Cutsdean Parish Council

## Internal Audit Report

Internal Auditor – Sue Lilly

Financial Year ending 31<sup>st</sup> March 2025

Reviewed: 23/6/2025

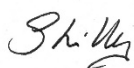
Internal Control	Suggested Testing	Findings	Comments
<b>A) Appropriate Accounting Records</b>	Are the accounts maintain and up to date?	Yes	
	Are the accounts arithmetically correct?	Yes	
<b>B)</b>	Are the Accounts balanced regularly?	At meetings	
	Has the council formally adopted Standing Order and Financial Regulations	Yes	7/5/3024
	Has an RFO been appointed?	Yes	temporary
	Have items or services above the de minimus amount been competitively purchased?	N/A	
	Are payments in the cashbook supported by invoices, authorised and minuted	Yes	
	Has VAT on payments been identified, recorded and reclaimed?	No	No VAT reclaimed
	Is s137 expenditure separately recorded and within statutory limits	Nothing spent this year	
<b>C) Risk Management Arrangements</b>	Does a review of the minutes identify any unusual financial activity?	No	
	Do minutes record the council carrying out an annual risk assessment?	Yes	
	Is insurance cover appropriate and adequate	Yes	
	Are internal financial controls documented and regularly reviewed?	Yes	
<b>D) Budgetary Controls</b>	Has the council prepared an annual budget in support of its precept	Yes, but moving to Parish Meeting only, so precept minimal	
	Is actual expenditure against the budget regularly reported to the council?	Yes	

	Are there any significant unexplained variances from budget	No	
<b>E) Income Controls</b>	Is income properly recorded and promptly banked?	Yes	
	Does the precept recorded agree to the Council Tax authority's notification	Yes	
	Are security controls over cash and near- cash adequate and effective?	Yes	
<b>F) Petty Cash Procedures</b>	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	
<b>G) Payroll Controls</b>	Do all employees have contracts of employment with clear terms and conditions?	No employees at the end of the year	
	Do salaries paid agree with those approved by the council?	N/A	
	Are other payments to employees reasonable and approved by the council?	N/A	
	Have PAYE/NIC been properly operated by the council as an employer?	Changed in October 2024	
<b>H) Asset Controls</b>	Does the council maintain a register of all material assets owned or in its care?	Yes	
	Are the assets and Investments registers up to date?	Yes	No investments
	Do asset insurance valuations agree with those in the asset register	Yes	
<b>J) Bank Reconciliation</b>	Is there a bank reconciliation for each account?	Yes	
	Is a bank reconciliation carried out regularly and in a timely fashion?	Yes	
	Are there any unexplained balancing entries in any reconciliation?	No	
	Is the value of investments held	N/A	

	summarised on the reconciliation?		
<b>Year-End Procedures</b>	Are year end accounts prepared on the correct accounting basis (Receipts and Payments or Income and Expenditure)?	Yes	
	Do accounts agree with the Bank Statements?	Yes	
	Is there an audit trail from underlying financial records to the accounts	Yes	
	Where appropriate have debtors and creditors been properly recorded?	N/A	
<b>K) Other Issues</b>	Previous Year Exempt?	Yes	Previous IA report very thorough. Some recommendations had been adopted
	Is the council registered with the ICO?	No	
	What arrangements does the Council have for back-up of computer files	Cloud	Physical records also held
<b>L) Website</b>	Publishing up to date?	Up to January 2025	April Minutes yet to be uploaded
<b>M) Public Notice</b>	Published last year?	Yes	
<b>N) Publishing of AGAR</b>	Published last year?	yes	In Events Section on website
<b>O) Trust Funds</b>	Is the council involved in any	N/A	

Date: 23/6/2025

Signed:



CiLCA (Wales) PIALC Wales & England)



# Annual Internal Audit Report 2024/25

CUTSEDEAN PARISH COUNCIL

www.cutseanparishcouncil.co.uk ADDRESS

During the financial year ended 31 March 2025, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2024/25 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT was appropriately accounted for.			N/A
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.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
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.	✓		
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")	✓		
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.	✓		
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 2023-24 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2023/24 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

23/6/2025

SUSAN LILLY INTERNAL AUDITOR

Signature of person who carried out the internal audit

Date 23/6/2025

\*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\*Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).