

**Petrockstowe Parish Council  
Internal Audit Report Financial Year 2024/25**

<b>Internal Control</b>	<b>Test</b>	<b>Observations/Recommendations</b>	<b>Notes</b>
Proper bookkeeping	Is the cash book maintained and up to date?	Yes.	
	Is the cash book arithmetically correct?	Yes.	
	Is the cash book regularly balanced?	Automatic.	Spreadsheet.
Standing Orders, Financial Regulations and Payment Controls	Has the Council formally adopted Standing Orders, Financial Regulations?	Yes.	
	Date S/Os last reviewed.	May 2024.	
	Date FinRegs last reviewed.	July 2024.	
	Has a Responsible Financial Officer been appointed with specific duties?	Yes.	The clerk.
	Have items or services above the <i>de minimis</i> amount (per FinRegs) been competitively purchased?	n/a	
	Are payments in the cash book supported by purchase orders, invoices, authorised and minuted?	Yes.	
	Has VAT on payments been identified, recorded and reclaimed?	Yes.	

	Is s137 expenditure separately recorded and within the statutory limit?	n/a	No s137 payments during the year.
	Have s137 payments been approved and included in the Minutes as such?	n/a	
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?	Yes.	
	Date of Risk Assessment/Management Policy review and adoption	July 2024.	
	Is insurance cover appropriate and adequate?	Yes.	Amount is judged adequate compared to asset register. Suggest adding insurance value to register for clarity.
	Are internal financial controls documented and regularly reviewed?	Not formally.	In practice, councillors review statements quarterly. Suggest adding review of selected payments/invoices, and minuting.
Budgetary controls	Has the Council prepared an annual budget in support of its precept and has this been minuted as being approved?	Yes.	

	Has the precept been calculated from the budget and been approved?	Yes.	January 2024.
	Does the budget include an actual completed year?	Yes.	
	Is actual expenditure against budget regularly reported to the Council?	No.	
	Has the Council agreed a General Reserve Policy?	No.	
	Are there any significant unexplained variances from budget?	No.	
	Where necessary, does the council have a formal Investment Policy?	n/a	
Income Controls	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?	n/a	
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.	
	Do salaries paid agree with those approved by the Council?	Yes.	
	Are salaries above the National Living Wage / Minimum Wage?	Yes.	NALC payscale.
	Are other payments to employees reasonable and approved by the Council?	Yes.	Expenses claims examined.
	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?	Yes.	
	Are the assets and investments registers up to date? When were these last reviewed?	No.	2024/25 acquisition not included in Register, but included in AGAR Asset figure.
	Does the asset insurance valuations agree with those in the asset register?	No, since Register uses local government valuations.	It would help to have insured value as a separate column on the Asset Register.
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?	For every meeting.	Detailed in minutes.

	Are there any unexplained balancing entries in any reconciliation?	No.	
Year-end Procedures	Are year-end accounts prepared on the correct accounting basis? (Receipts and Payments, or Income and Expenditure)?	Yes.	
	Do accounts agree with the cash book?	Yes.	
	Has a year-end bank reconciliation been undertaken?	No.	Suggest using pro-forma bank rec provided by external auditor, for completeness.
	Is there an audit trail from underlying financial records to the accounts?	Yes.	
	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?	n/a	
Transparency: For smaller councils with turnover under £25,000	Have the following been published? All items of expenditure above £100; End of year accounts; Annual governance statement;	Yes; Yes; Yes; Yes; n/a; No; Yes.	Suggest upload Asset Register (lists location of land and assets) to website.

	Internal Audit Report; List of councillor or member responsibilities; Location of public land and building assets; Minutes, agendas and papers of formal meetings.		
General Data Protection Regulation	Has the Council adopted a Data Protection Policy?	Yes.	Due for review May 2026.
	Has the Council put in place Privacy Notices?	Yes.	
Miscellaneous	Is the Council registered with the Information Commissioner's Office?	Yes.	DD August 2024.
	Does the Council's website meet accessibility requirements (random sample)?	Not tested. Hugo Fox is a known supplier, so assume accessibility is covered.	Suggest requesting specific Accessibility Statement from HF to be uploaded to the websiste.

Per Pro Services Ltd  
May 2025