Annual Internal Audit Report 2024/25

HOLME HALE PARISH COUNCIL

https://holmehaleparishcouncil.norfolkparishes.gov.uk/

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 appropriately accounted for.			✓ NO PETTY CASH
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).*	✓		

	Yes	No	Not applicable
O. (For local councils only) 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

09/04/2025

Name of person who carried out the internal audit

ROBIN GOREHAM

Signature of person who carried out the internal audit R Goreham

Date 9th April 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).

HOLME HALE PARISH COUNCIL
Annual Internal Audit Report
(as required by section 151 of the Local Government Act 1972)
Financial Year ended 31st March 2025

I have in the (virtual) presence of Mrs. Sheryl Irving (Parish Clerk) inspected the parish council documents as appropriate, and line with, the scope of the audit requested. Sheryl also acts as the Responsible Finance Officer for the council. Cllr. Dr. Andy Scarlett is presently Chairman of the Council. I would like to thank the Parish Clerk for providing me with all the information required to carry out the audit.

PREVIOUS AUDIT REPORT
Internal Auditor: No formal recommendations (April 2024).

ANNUAL PRECEPT REQUEST & BUDGETARY PROCESS
Holme Hale Parish Council approved its Annual Budget and Precept of £8,500 at its meeting of 2nd January 2024.
There were no significant unexplained variances in the budget.

BOOK KEEPING
(To include End of Year procedures)
The bank is reconciled on a monthly basis.
The cashbook is balanced monthly and is well maintained.
Regular financial reports are provided to each meeting by the Clerk.
No petty cash is held.

ACCOUNTING & INTERNAL CONTROLS
(To include regular review of key policies)
Payments & Receipts is used for the basis of accounting.
The Council has certified itself exempt from a limited assurance review and has met the relevant criteria.
The Risk Assessment & Management policy was approved in January 2025, Financial Regulations (in January 2025) and Standing Orders (in March 2024).
Risk Management and Financial Regulations are reviewed annually.
Standing Orders are reviewed every three years or when deemed necessary.
All policies are of a good standard.
Sheryl and I discussed whether a brief Reserves Policy could be added to the Risk Management policy and this would certainly cover another important facet of council administration.
I am delighted to note that the Council has now adopted an exclusively online banking system. Such a system will, in my opinion, greatly enhance its accounting systems and facilitate payment making..
Cllr. Wendy McNeil acts as the Council's Internal Control officer.

PAYROLL / PROPER IMPLEMENTATION OF PAYE / NIC / VAT
PAYE and NIC have been properly operated (with the use of HMRC Basic Tools).
VAT has been properly implemented. The latest Return is due for submission this month and it will cover the period 1st April 2024 to 31st March 2025.

GOVERNANCE PROCEDURES
(To include Salaries & Terms of Employment)
The clerk's salary is paid in accordance with members approval and statutory guidance, and documented in the relevant minutes. The clerk's Contract of Employment and P60 were submitted for my inspection.
The council's website is of a good standard. It clearly displays Agendas, Minutes and Council policies.
Council policies include: Code of Conduct, Data Protection, Equality & Diversity, Health & Safety, Safeguarding, Complaints and Biodiversity.
The website is in compliance with the Transparency Code.
The Council holds NALC membership; and both NALC and NPTS provide training. Member induction training was offered in 2024.

INSPECTION OF ASSETS REGISTER & INSURANCE REQUIREMENTS
The council holds assets which include: three bus shelters, three notice boards, a SAM2 speed sign, a wooden foot bridge, four village signs, four planters, and a number of electric pole lamps.
I have inspected the Assets Register (displayed on the website) and found this to be in order. It was last updated in March 2025.
I would suggest that values are reviewed periodically to ensure insurance requirements are met.
Insurance provider is Clear Councils (renewed June 2024).

CONCLUSIONS & ANY RECOMMENDATIONS

I would make no formal recommendations at this time and I would compliment the Clerk on the excellent and efficient manner in which she has presented the accounts and other supporting documentation.
I am satisfied that this parish council is functioning to a good standard and is fully discharging its legal and statutory responsibilities.
Accordingly, I have duly signed and completed the relevant section (Form 2) of the Annual Governance and Accountability Return 2024/25.

ROBIN GOREHAM

(Internal Auditor) April 2025