

# **Newton Flotman Parish Council**

Internal Audit Report  
Financial Year 2024/25

Prepared by Sonya Blythe  
9 April 2025

I have completed an internal audit of the accounts for Newton Flotman 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
	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	May 24 minutes
	Date Financial Regulations last reviewed	July 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
	Has VAT on payments been identified, recorded and reclaimed?	Yes, separate column in cashbook. Received April 24
	Is s137 expenditure separately recorded and within statutory limits?	N/A
	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?	March 25 minutes
	Is insurance cover appropriate and adequate?	Liability cover in place. Couldn't see fidelity cover?
	Are internal financial controls documented and regularly reviewed?	March 25 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 – November 23 minutes 2526 – November 24 minutes
	Has the precept been calculated from the budget and been approved?	24/25 – recorded as £29,757 2526 – recorded as £31,000
	Does the budget include an actual completed year?	Yes
	Is actual expenditure against budget regularly reported to the council?	Reported quarterly
	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 £29757 Remittance £29757
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
Payroll controls	Is petty cash reimbursement carried out regularly?	N/A
	Do all employees have contracts of employment with clear terms and conditions?	Yes, contract seen previously
	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?	Yes, HMRC on payslips and BACS payments made

Internal control	Test	Observations
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?	March 25 minutes
	Do asset insurance valuations agree with those in the asset register?	Yes
Bank reconciliation     Year-end procedures	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 at each meeting
	Are there any unexplained balancing entries in any reconciliation?	No
	Is the value of investments held summarised on the reconciliation?	N/A
	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?	AGAR – £21,213 Statements - £21,213.46
	Has a year-end bank reconciliation been undertaken?	Reconciliation - £21,213.46
	Is there an audit trail from underlying financial records to the accounts?	Yes, cashbook matched to bank account
Procedural	Where appropriate, have debtors and creditors been properly recorded?	N/A
	Is eligibility for the General Power of Competence properly evidenced?	Yes
	Have points raised on the last Internal Audit report been considered by council and actioned?	Risk assessment last reviewed in July 2022. As one of the criteria of the internal audit and the governance statement are confirming that risk has been managed, this document should be considered and minuted during each financial year. Completed.
Transparency: For smaller councils	Minutes for whole year on website?	Yes

Internal control	Test	Observations
with turnover under £25,000	Agendas for whole year on website?	Yes
	Payments over £100 detailed on website?	Yes
	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)	Yes
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
	Were comparisons made with other cemeteries prior to setting the fees?	N/A
	Have burial books been kept up to date and are they safely stored?	N/A
Allotments only	Has a list of allotment holders with amounts paid to Council been submitted?	Included within cashbook
	Have fees for the allotments been reviewed and agreed by Council?	No
Councils with charities only	Have Charities reported and accounted separately?	N/A
	Have the Charity accounts been independently audited?	N/A
	Have the Charity accounts and Annual Return been filed within the legal time limit?	N/A

Internal control	Test	Observations
ICO	Is Council registered with the Information Commissioners Office?	Yes – January bank statement
General Data Protection Regulations	Has the Council adopted a Data Protection Policy?	March 25 minutes
	Has the Council put in place Privacy Notices?	Yes, link on website
Other		N/A

Thank you to Maria 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.
- I confirm that your payroll management meets requirements
- 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:**

None.

*Sonya*

Sonya Blythe  
Internal auditor

