

# Julie Snooks - Internal Auditor

Council: CHITTLEHAMPTON  
Year: 2024/25

\* CHECKLIST USED FOR AUDITS BELOW £25K AND EXEMPT FROM EXTERNAL AUDIT\*

Topic	Yes	No	n/a	Actions Required	Notes
Insurance	✓			*	Not provided as audit for information prior year. ECF 50K
Precept	✓			*	No external audit reserved changed to balanced X2 precept (last year's audit expand reserved discussion - 14th June above)
Fixed Assets	✓			*	Expand in line with Practitioner Guide. basis of valuation/declared location + Community Assets
Risk	✓				
Internal Control	✓				
GDPR	✓				
Payroll	✓				
Petty Cash	✓			*	OK from 11-31/3/24 £216.20 + 24/5 £716.53 to be reviewed
VAT	✓			*	Numbered but not on website
Standing Orders	✓			*	Unsigned & undated version on website
Financial Regulations	✓			*	Accounts brought to audit unbalanced. Errors found & corrected by Internal Auditor
Bank	✓				
Other receipts tested	✓				
Other payments tested	✓				
Annual Return/AGAR	✓			*	Provide supportive Grant giving documentation on the audit
Internal/External audit	✓			*	Amendments required to correct errors boxes 3, 4, 6 & 7
FOI / Transparency Code	✓			*	Assess signed VAT numbers should be on website
2024/website	✓				
AGAR & financial records on website	✓			*	Assuming Assenion 4, Governance completed correctly
AGAR - correct approvals	✓			*	Agar prior to approvals
Public Rights	✓			*	See extn audit certificate for 23/4
Audit closure	✓				Overfask / Formal Report Attached

④ Making Papers provided to identify errors in accounts.

Numbered not consecutively numbered (previous audit point) Signed copies should be brought to audit.

Please provide a copy of Governance section of the 24/25 AGAR to confirm compliance with Extn Audit 23/4 compliance w/ Assenion 4.

JSnooks  
27/5/25

May 27, 2025

## **Chittlehampton Parish Council Internal Audit Report 2024/25**

Testing was carried out using sampling where appropriate and covering a range of financial, risk and governance assessed as appropriate for a council of this size and complexity. The findings are reported below:

### **✓ Governance and Control**

All councils of whatever size are required to annually prepare and consider:

- A general and financial risk assessment covering the council's activities.
- A statement of internal control.
- Annually review any charges for services whether or not they are increased and record this in minutes.

Councils under £25,000 turnover are legally required to publish on a website disclosure of information required by the Transparency Code for Smaller Authorities 2014.

Councils with total turnover or expenditure over £25,000 are subject to the requirement of the Freedom of Information Act, where it is a requirement that public bodies publish certain information on their website, and should as best practice comply with the Local Government Smaller Bodies (Transparency Requirements) Regulations 2015.

Councils should ensure compliance with the new rules regarding General Data Protection Regulations (GDPR), which came into effect in May 2018.

Councils should have in place and periodically review:

- Standing orders for the conduct of council meetings are required by law and should be periodically review and changed to reflect current legislation.
- Financial regulations for the control of its financial administration are required by law and should be periodically reviewed for either changes in legislation or internal control procedure changes.
- Any Council moving away from 2 cheque signatories by Councillors and utilising online banking, should have procedures and controls in place to establish appropriate safeguards.

***Satisfactory, although it was identified that Standing Orders have been approved, but have not been published on the website. Similarly, Financial Regulations have been reviewed and approved, but the version on the website is unsigned and undated.***

**The Council should ensure that their responses on the Governance Section of the Annual Governance and Accountability Return (AGAR) for 2024/25, in particular Assertion 4, are in line with the External Audit certificate for 2023/24.**

**Loose-leaf minutes should have consecutively numbered minutes or pages. This was highlighted at the last two audits. In addition, the signed minutes should be the version on the council website.**

✓ **Precept, Budgets and Reserves**

The precept was agreed to the minute setting the precept, the principal authority tax collecting authority records. The receipt was traced and agreed to bank and cash book records. The precept was set after consideration of a budget and consideration of an appropriate level of free reserves (the General Fund) which is generally accepted should lie between 3 and 12 months' expenditure.

**Generally satisfactory, however, as highlighted at the last audit, the budget setting and precept approval for 2025/26 was not fully minuted. Discussion should also include consideration of balances and in particular, any earmarked reserves should be identified, especially where balances are increasing.**

✓ **Other Receipt or Income**

A sample of other receipts were tested to ensure that, as appropriate:

- That grants and interest were correctly recorded in the cash book and agreed to bank statement
- Chargeable services were correctly and promptly charged to the beneficiaries of those services and that arrangements were in place to pursue late payment.

**Satisfactory. It was noted that VAT of £216.20 from 1<sup>st</sup> January to 31<sup>st</sup> March 2024 was still to be reclaimed along with the VAT arising from 2024/25 payments.**

✓ **Staff Cost**

Testing was carried out as appropriate to ensure that:

- Rates of pay were as approved by Council.
- Additional hours worked were approved and supported by time records.
- Employees are paid in accordance with contractual obligations and on the correct pay date.
- Employees have a written statement of principal terms and conditions.
- That PAYE and NI are operated and paid promptly.

**Satisfactory, payments to the locum clerk, which are invoiced, should be accounted for in box 6 rather than box 4 of the AGAR for 2024/25. This requires an amendment.**

✓ **Payments including Bank and Petty Cash**

A sample of payments were tested as appropriate to confirm:

- Payments are made in accordance with financial regulations
- Payments are supported by invoice, receipt, expense claim, petty cash voucher or other appropriate documentation.
- Grant payments are subject to a proof of need assessment, are required to be evidenced as spent for the approved purpose, and unless having the general power of competence are made within permitted powers.
- Cheque payments are promptly cleared.
- Where payments are made other than by cheque with 2 councillor signatories the council has considered and actioned the requirements of appendix 10 of Governance

and Accountability and have documented the process followed and annually review the control of wider definition "money".

**Satisfactory.**

***Grant giving applications and supporting documents in line with the new approval policy, should be provided for review at the next audit.***

***The clerk should ensure that all invoices are in the name of the parish council where VAT is reclaimed.***

✓ **Insurance**

Insurance cover was reviewed as appropriate to confirm:

- Adequate Fidelity Guarantee cover in place
- Range of cover in place has been reviewed at renewal and this has been recorded in the council minutes
- By sample test that assets other than land that appear on the Fixed Asset Register are insured or if not that there has been a decision not to cover them (for example because the excess is greater than the asset value insured).

***Satisfactory. Please provide schedule of cover at each audit.***

✓ **Fixed Assets**

Tests were carried to confirm as appropriate:

- Fixed asset register is up to date
- Additions have been correctly identified and a system exists for the identification of fixed assets
- That the disposal by scrapping, selling or part exchange of assets has been approved by council
- That where an insurance value has been used as the cost of an asset was unknown that the value is not increased as the insured value increases.

***Satisfactory, although as highlighted at the last audit, the council should expand the asset register in line with the Practitioners Guide, to confirm the basis of valuation of a particular asset and include the location of deeds where appropriate i.e. football pitch. Any historical documents should be stored in a fire-proof container.***

**The accounts were presented to audit in an unbalanced position.**

**Accounting errors and omissions have been identified and corrected by the Internal Auditor.**

***As a result, amendments are required to Section 2, boxes 3, 4, 6 and 7 of the AGAR for 2024/25. A working paper to clarify the necessary amendments has been provided to the locum clerk.***

**Please provide copies of the signed and authorised AGAR forms once this has been complete and request clarification for any of the audit points if necessary.**

Many thanks for your assistance in the completion of the audit.

Kind regards

Julie