

**INTERNAL AUDIT REPORT**

**TO**

**CHESWICK GREEN  
PARISH COUNCIL**

**FOR THE FINANCIAL YEAR**

**2024 - 2025**

**Prepared by: Bill Robinson**

**Issued April 2025**

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### Statement of Responsibility

The audit work I have undertaken was carried out based upon the Internal Audit Scope agreed with Cheswick Green Parish Council

This report has been prepared solely for Cheswick Green Parish Council's use and should not be quoted in whole or in part. No responsibility to any third party is accepted as the report has not been prepared, nor is intended, for any other purpose.

The matters raised in this report are only those which came to my attention during the course of the audit and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. The Parish Council should assess recommendations for improvements for their full impact on the Parish Council's budget, financial regulations, standing orders, risk assessments, and any other activities before they are implemented.

The responsibility for a sound system of internal control rests with the Parish Council and therefore audit work performed by the Internal Auditor should not be relied upon to identify all circumstances of fraud or irregularity should there be any, although these internal audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance. Effective implementation of Internal Audit recommendations by the Internal Auditor to the Parish Council is important for the maintenance of a reliable internal control system.



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## Cheswick Green Parish Council Internal Audit

This Internal Audit was undertaken at Cheswick Green Parish Council office with the Clerk/RFO on Wednesday 16<sup>th</sup> April 2025.

### Accurate book keeping

- Income and expenditure entries to the cashbook were checked and found to be up to date and correct.
- All payments and receipts were found to be correct and supported by documentation
- All payments were supported by the proper authorisation from the Parish Council
- All receipts for Cheswick Green Parish Council accounts, were banked in a timely manner
- Bank reconciliation – this was checked and found to be correct on a quarterly basis.
- In addition an audit trail of the following cheques was carried out

For year 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025 across all accounts

Date	Payment type	Minute Ref.	Payee	Amount
11 Apr.24	BACS	240	Countrywide	£786.89
11 Apr.24	BACS	240	WALC	£996.80
09 May.24	BACS	19	HMRC	£417.56
09 May.24	BACS	19	SMBC	£6052.80
13 Jun.24	BACS	45	W.Robinson	£224.00
13 Jun.24	BACS	45	Defib Store	£190.80
11 Jul.24	BACS	65	Countrywide	£786.89
11 Jul.24	BACS	65	HMRC	£124.39
12 Sep.24	BACS	87	DM Payroll	£90.00
12 Sep.24	BACS	87	Vision ICT	£48.00
12 Sep.24	BACS	87	Countrywide	£1157.98
12 Sep.24	BACS	87	Noticeboards Online	£1778.40
10 Oct.24	BACS	111	Countrywide	£786.89

<b>Date</b>	<b>Payment type</b>	<b>Minute Ref.</b>	<b>Payee</b>	<b>Amount</b>
10 Oct.24	BACS	111	M. Zizzi (RBL)	£100.00
14 Nov.24	BACS	135	Noticeboards Online	£2263.36
14 Nov.24	BACS	135	Vision ICT	£402.00
12 Dec.24	BACS	159	TDR	£2880.00
12 Dec.24	BACS	159	Shirley R. Table	£100.00
09 Jan.25	BACS	179	Countrywide	£786.89
09 Jan.25	BACS	179	DM Payroll	£90.00
13 Feb.25	BACS	204	HMRC	£421.57
13 Feb.25	BACS	204	Countrywide	£499.61
13 Mar.25	BACS	224	SLCC	£190.00
13 Mar.25	BACS	224	S. Coles (Survey)	£396.00
13 Mar.25	BACS	224	TDR	£2520.00

BACS = All electronic means of payment.

### **Year End Accounts**

The year end accounts for the financial year 2024 -2025 were checked and were found to be arithmetically correct and in agreement with the financial records shown by the Clerk. These accounts were properly reconciled to the bank statements.

The annual return for the financial year 2024 – 2025 was completed by the Clerk, and Internal Audit Report of the AGAR 2024-25 to be sent to the External Auditor was signed by the internal auditor.

### **Receipts and payments spreadsheet**

This was checked and found to be correct.

It was noted that spreadsheets were checked against each other by the Clerk for accuracy.

All payments were found to be matched to the individual invoice and minute reference.

All payments audit trails were satisfactory.

It was noted that all monthly bank reconciliations were prepared and presented to the Parish Council for review, this is good practice.

Noted that a card reader for payments to the Parish Council is now in place.

It was noted that all receipts are held separately with bank statements attached.

It is noted that the majority of the Parish Council invoices are paid via electronic banking in all forms (Electronic banking, Standing Orders and Direct Debits). It is also noted that this arrangement makes payments easier, however the Parish Council must be aware that these transactions must be secure, and in a form that is easily understood and open to scrutiny

### **Electronic payments**

It was noted that all electronic transactions can be seen online by Cllrs. (with only the Clerk able to change details on the account), and hard copies printed as necessary.

It was noted that the Clerk is the submitting officer to Unity Trust Bank with two named authorisation members before funds are transferred from the Parish Council accounts– this appears to be a suitably robust financial risk check and the Council is to be commended.

The internal auditor has seen the internet banking process as utilised by Cheswick Green Parish Council and noted that the security in place appears to be robust.

Bank balances and statements can be seen as they are listed.

It was noted that previous payments can be seen and listed, any transaction can be checked, with Standing Orders and Direct Debits viewed.

It was noted that two authorising members from all Cllrs being signatories are required before payments can be made.

It was noted that this seems to be a good system set up by Unity Trust Bank, which also seems to be relatively easy to use when familiar with the system. It is also noted that the Clerk likes this system and the Parish Council is to be commended.

It was noted in minute number 23 that all annual Direct Debits with BT and ICO were approved – good practice to review all regular outgoings.

### **Budget Controls and Precept**

It was noted in minute 20 that a named Cllr. will verify, check and sign the bank reconciliation prepared by the Clerk on a monthly basis – this check is good practice.

It was noted in minute 21 that all Cllrs. will be cheque signatories and that named Cllrs can authorise payment by Unity Trust Bank.

It was noted in minute 136 that a budget and precept discussion for the financial year 2025-26 with a draft budget being previously sent to all Cllrs. was held.

It was noted in minute 160 that after discussions of the draft budget previously sent as noted in minute 136, the budget for the financial year 2025-26 was approved.

It was noted in minute 181 that after discussions of the draft budget previously sent as noted in minute 136, the precept for the financial year 2025-26 was approved.

It was noted in minute 181 that the Clerk was delegated to submit the 2025-26 precept demand to SMBC.

It was noted that a quarterly budget comparison (budget against expenditure) was produced by the Clerk/RFO for Cheswick Green Parish Council – this is good practice.

### **Income Control**

It was noted that all receipts were banked promptly, and the paying in book satisfactorily checked against the spreadsheet.

It was noted that all payroll deductions as indicated by D. M. Payroll were properly applied – good practice.

It was noted that VAT is reclaimed from HMRC on a regular basis – this is good practice given the level of VAT payments.

### **Petty Cash**

It was noted that the petty cash has been properly dealt with, all invoices presented and a spreadsheet prepared for Councillors monthly.

It was noted that all payments are made with individual receipts and a petty cash spreadsheet listing receipts and payments sent to Cllrs. monthly.

It was noted that all petty cash invoices are held separately.

It was noted that all petty cash expenditure is detailed and put with the finances behind each minute.

It was noted that a separate spreadsheet for petty cash is presented at each meeting.

### **Annual Governance and Accounting Statements**

It was noted in the minute 17 that the Annual Governance Statement 1 of the AGAR 2023-24 were properly approved and signed.

It was noted in minute 18 that the Annual Accounting Statement 2 of the AGAR 2023-24 was approved and signed.

It was noted that the Annual Governance and Accounting Statements for the financial year 2024-25 will be approved at the next Parish Council meeting

### **Internal Audit Report**

It was noted in minute 46 that the internal auditors report for the financial year 2023-2024 was reviewed and approved – it is good practice to formally look at the report.

### **Internal Controls**

The document seen lists all controls that the Parish Council deems necessary to safeguard its assets – good document.

### **Risk Register**

The Risk Register document was seen and it clearly identifies all potential risks and the mitigating strategies utilised as at April 2025.

### **Petty Cash**

It was noted that details of petty cash are held on a spreadsheet and updated monthly and recorded within the minutes – this is a good system of petty cash control.

### **Allowances**

It was noted in minute 26 that Cheswick Green Parish Council approved the payment of members allowances (if so claimed) in line with the current rates from SMBC.

### **Financial Regulations**

It was noted that the Financial Regulations have been reviewed, updated, and approved by Cheswick Green Parish Council

### **Standing Orders**

It was noted in minute 27 that the Standing Orders were reviewed and approved by Cheswick Green Parish Council.

### **Reserves Policy**

It was noted that a General Reserves Policy was approved and adopted as at 2025– it is good practice to regularly look at the general reserves to determine if they still meet the Parish Council requirements.

### **Policies**

It was noted in minute 27 that the following Cheswick Green Parish Council policies were reviewed and approved.

FOI requests: Data Protection and all other policies held on the website.

### **Asset Register**

It was noted that the Cheswick Green Parish Council asset register was reviewed and approved as at 2025, and it was noted that the total value of assets reflects box 9 of the annual return.

### **Agenda**

It was noted that all meeting agendas were properly made and signed by the Clerk.

It was noted on each agenda there is a standing item Exclusion of Public and Press from the meeting, the Parish Council must be aware that if there are members of the public or press in attendance, this item can only be utilised by a resolution at the time of the exclusion.

### **Minutes of the Parish Council meetings**

All minutes were checked, and found to be satisfactory and properly signed, with no evidence of any unusual activity.

### **Insurance**

It was noted in minute 24 that the Cheswick Green Parish Council insurance contract with Zurich is still on a multi year basis until 2025 – it is good practice to enter into multi - year agreements where there are financial gains to be made.

### **Payroll**

It was seen that all employment and tax records and pension liabilities were dealt with by an external contractor (D. M. Payroll Services), and this appears to be a good system of ensuring that all relevant liabilities on the Parish Council are met.

It was noted that all PAYE, pension, and payroll taxes are discussed in confidential session at each meeting.

### **Contracts**

It was noted that a grounds maintenance contractor has been chosen for maintenance work until 2027.

### **Code of Conduct**

It was noted that Cheswick Green Parish Council has formally adopted a new Code of Conduct.

### **Risk assessment**

It was noted as at April 2025 that the Cheswick Green Parish Council internal controls risk assessments were reviewed and approved. This is a good risk register document.

It was noted in minute 142 that the 2024 RoSPA inspection of play areas and equipment was undertaken and noted.

It was further noted in minute 141 that a monthly site inspection for all Parish Council public spaces and play areas are made by a Parish Cllr. and a record of these inspections held by the Parish Clerk/RFO – good practice.

### **General Power of Competence**

It was noted that Cheswick Green Parish Council still meets the criteria for obtaining the General Power of Competence, and has formally accepted that power, this means that Sec.137 payments are no longer required.

### **GDPR**

It was noted that the Parish Council is in accordance with GDPR compliance – the Council is to be commended

### **Dispensations**

It was noted in minute 6 that the Clerk has been properly delegated the authority to determine dispensation requests, - this is good practice.

### **Parish Council Website**

It was noted that the Parish Council website meets all requirements and is easy to use.

### **Conclusion**

Whilst undertaking the Internal Audit, it became apparent that the Clerk is carrying out her responsibilities in an exemplary fashion to the standard required by Local Government Finance Regulations.

Where I have commented on future actions, these are not criticisms, rather only for Cheswick Green Parish Council to consider.

It will be noted that in the Internal Audit Report of the AGAR 2024/25 the internal auditor marked item O as Not Applicable. This does not imply that there is anything untoward regarding the Parish Council accounts, rather this is a response required by the external auditor and in the case of Cheswick Green Parish Council it means that the Parish Council is not a Trustee nor holds trust funds.

It will be noted that in the Internal Audit Report of the AGAR 2024/25 the internal auditor marked item K as Not Covered. This does not imply that there is anything untoward regarding the Parish Council accounts, rather this is a response required by the external auditor and in the case of Cheswick Green Parish Council it means that item L is not applicable.

This concludes the Internal Audit.

Signed.....  -Dated... 20<sup>th</sup> April 2025