

Broxted Parish Council
Internal Audit Report Financial Year 2024/25

Internal Control	Test	Observations/Recommendations	Notes
Proper bookkeeping	Is the cash book maintained and up to date?	Yes.	
	Is the cash book arithmetically correct?	Yes.	Automatic via software.
	Is the cash book regularly balanced?	Yes.	Automatic via software.
Standing Orders, Financial Regulations and Payment Controls	Has the Council formally adopted Standing Orders, Financial Regulations?	Yes.	
	Date S/Os last reviewed.	May 2022.	Updated April 2025.
	Date FinRegs last reviewed.	September 2024.	Updated 2025.
	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?	Yes.	
	Have s137 payments been approved and included in the Minutes as such?	Not obviously.	Payments approved at each meeting. S137 payments are identified specifically in accounts.
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	March 2025.	
	Is insurance cover appropriate and adequate?	Yes.	Standard policy for local government via BHIB.
	Are internal financial controls documented and regularly reviewed?	Yes.	Cllrs reviewed balances as presented at every meeting. Cllr agreed to perform internal control check, minuted in September.
Budgetary controls	Has the Council prepared an annual budget in support of its precept and has this been minuted as being approved?	Yes and no.	Suggest explicit motion to approve Budget.
	Has the precept been calculated from the budget and been approved?	No.	January 2024 decision on Precept refers to a budget,

			but does not obviously flow from it.
	Does the budget include an actual completed year?	Yes.	
	Is actual expenditure against budget regularly reported to the Council?	Yes.	Quarterly.
	Has the Council agreed a General Reserve Policy?	No.	Suggest adoption of formal policy. 'Healthy reserve' is noted in Minutes during Precept discussion, but not defined. Reserves level defined in October 2024 Mins. Consolidation in single policy would aid transparency.
	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.	BACS
	Does the precept recorded agree to the Council Tax authority's notification?	Not checked.	Amount in Minutes = amount received.
	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.	Reviewed and confirmed at beginning of financial year.
	Are salaries above the National Living Wage / Minimum Wage?	Yes.	NJC salary scales.
	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.	
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?	Yes.	March 2025.

	Does the asset insurance valuations agree with those in the asset register?	No.	Insurance policy is a general 'all risks' policy. It covers what the pc needs, and removing items which the pc does not own would not affect the premium.
Bank reconciliation	Is there a bank reconciliation for each account and is this reported to Council?	Yes.	Each meeting.
	Is a bank reconciliation carried out regularly and in a timely fashion?	Yes.	
	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.	R&P
	Do accounts agree with the cash book?	Yes.	Automatically generated.
	Has a year-end bank reconciliation been undertaken?	Yes.	
	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	No points raised.
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; Internal Audit Report; List of councillor or member responsibilities; Location of public land and building assets; Minutes, agendas and papers of formal meetings.	Yes (in Minutes); Yes; Yes; Yes; n/a; n/a; Yes.	Building and land assets are within the village hall charity, and therefore not required to be published.
Councils with Charities	Are all Charities up to date with Charity Commission filing requirements?	Yes.	
	Has the Council been named as Sole Trustee on the Charity Commission Register?	Yes.	
	Is the Council acting in accordance with the Charity Trust Deed?	Yes.	
	Are the Charity meetings and accounts recorded separately from those of the Council?	Yes.	Note that the Terms of Reference for a village hall committee remain extant

			from 2022. Review is suggested.
General Data Protection Regulation	Has the Council adopted a Data Protection Policy?	Within Privacy Notices.	Declaration of Council as Data Holder.
	Has the Council put in place Privacy Notices?	Yes.	
Miscellaneous	Is the Council registered with the Information Commissioner's Office?	Yes.	DD April 2024.
	Does the Council's website meet accessibility requirements?	Yes.	Accessibility Statement confirms (updated Dec 2024) and last tested Dec 2024.

Per Pro Services Ltd
June 2025