Monks Kirby Parish Council

Internal Audit Report for the Financial Year ending 31st March 2025

The Accounts and Audit Arrangements introduced from 1st April 2002 (lighter touch audit) requires all Town and Parish Councils to implement an independent internal audit examination of their Accounts and Accounting processes annually. The Council have complied with the requirements in terms of independence by the Council decision making process by appointing Eleanor Choudry to undertake the work for 2024/25.

This visit is to check that the Parish Council adhere to the requirements set out in the Governance and Accountability for Smaller Authorities in England ensuring that compliance is maintained. The audit concluded on 4th May 2025.

An Internal Audit testing strategy is set out in the current Governance and Accountability for Smaller Authorities in England appendix 5. This covers a "suggested approach to internal audit testing" covering 10 aspects ranging from Proper bookkeeping right through to Year-end procedures. Our Internal Audit testing is based on this approach.

My initial discussion with the Parish Clerk established any system or procedure changes to the internal controls from the previous period. I have undertaken a series of independent audit tests using the various financial records, vouchers, documents, Minutes, insurance documentation to ascertain the efficiency and effectiveness of the internal controls.

As part of this internal audit review I checked:

Book Keeping

- The financial totals as at 31 March 2024 have been brought forward accurately.
- The cashbook is up to date.
- The calculations are correct.
- VAT is evidenced. VAT of £365.48 has been reclaimed.
- The payments have been checked and all were supported by invoices, authorised and minuted. (see page 4).
- Income recorded in the bank account was checked to those entries shown in the cashbook.
- Documentary evidence of receipts was shown on request.
- The Council does not have the General Power of Competence.
- S137 expenditure is recorded separately.

Due Process

- Adopted NALC Model Standing Orders were reviewed on June 24 and are available on the website.
- Adopted NALC Model Financial Regulations were amended and reviewed in December 24. They are tailored to the council and purchasing authority is defined.
- There is evidence of a loan to support street lighting upgrade to LED.
- There is evidence that monthly and quarterly financial checks have been carried out by Councillors and this is minuted.

- Purchases for goods/services have not been made this financial year that require 3 or more quotes to ensure best value/terms as per the financial regulations.
- An adopted Equality Rights Diversity Statement was reviewed in October 2024.
- An Equal Opportunities Policy was approved by Cllrs in September 2024 and updated in October 24.
- The Disclosable Pecuniary Interest Forms have been completed for all Cllrs and all Councillors details are on the Rugby Council website.
- Signed dated Agendas are available on the website and are always displayed at least three clear days prior to a meeting.
- Each month receipts/payments and balances are summarised and supplied to each Councillor at the meetings.
- The Parish Clerk signs and dates the bank reconciliations on a monthly basis to confirm that bank reconciliations have been carried out and the total of the bank account agrees to the cashbook totals.
- A Councillor signs and dates the bank reconciliations on a monthly basis to confirm that bank reconciliations have been carried out accurately as part of Parish Councillor Scrutiny role.
- There is evidence that apologies are minuted.
- Declaration of members interests are minuted.

Risk Management

- A scan of the minutes does not reveal any unusual activity.
- The Clerk informed me that the play equipment is checked by a councillor prior to meetings when any actions are reported. A safety check list is produced. The last Annual Play Equipment Inspection was carried out in January 2025.
- An adopted Health and Safety Policy was reviewed in January 2025.
- Hard copy minutes are consistently signed. Minutes references are used consecutively across the year on agendas and minutes.
- Financial payments are listed on the agenda and minutes.
- The PC has a Risk Schedule that was updated and reviewed in November 2024.
- A review of internal controls was carried out in June 24. See document
- The annual insurance policy expires in May 2025. There is £10 million Public Liability and £5 million Employers Liability.
- A Lone Worker Policy was reviewed in December 2024 and is available on the website.
- A Grievance and Disciplinary procedure was approved in September 24.
- An Emergency Plan was reviewed in August 2024 and is available on the website.
- The PC has a gov.uk email address that belongs to the council and which the council has access, with email addresses linked to the parish website.

Budget

- An annual budget is prepared, discussed and adopted by the council.
- There is evidence that Monks Kirby PC have considered the level of the precept.
- The precept demand is approved and minuted. The amount is stated in minutes.
- There is evidence of budget setting and reserves are earmarked.

Monks Kirby Parish Council

Payroll – Clerk/RFO

- A Contract of Employment is customised and signed.
- The Clerks contract was reviewed in February 2025.
- Payslips are produced using HMRC paye tools.
- There is compliance with Minimum wage requirements.

Asset Control

- An up-to-date Asset Register for 2024/25 is available on the website with the value of individual assets listed at cost.

Bank Reconciliation

- There is evidence of a bank reconciliation.
- There is evidence that the bank reconciliations have been reviewed by Councillors at meetings and minuted.
- There does not appear to be any unexplained balancing entries in the reconciliation.

Banking and Investments

- It was noted that the Parish Council has Unity Trust bank account: Monks Kirby Parish Council Instant Access Account number XXXXXX63 and a current account number XXXXXX34 and account XXXXXX16.

Year End Procedures

- Year-end accounts are prepared correctly on a receipts and payments basis and the bank statements and ledger reconciled.

Misc

- The Clerk informed me that all electronic files are backed up to the cloud as well as to an external hard drive.
- Dates for the arrangements for the public inspection of the Councils records were incorrect in 23/24. The dates should extend for a single period of 30 working days (inclusive).
- The Council is registered with ICO.
- The Council reviewed the Code of Conduct in June 24.
- Last year's internal audit recommendations have all been carried out.

Monks Kirby Parish Council

For the year 2024/2025 an audit trail of the following cheques was carried out:-

DATE	PAYEE	AMOUNT £
14/05/24	E Hobson	112.00
11/06/24	EON / NPower	3.095.04
10/09/24	P Clegg	539.88
12/11/24	Timberplay	4,845.60
10/12/24	Creative Landscapes	1,065.00
14/01/25	Bear Woodcraft	280.00

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Conclusion

It is my opinion that the various records and procedures in place for the Council provide a good standard of control.

This report should be noted and taken to the next meeting of the Parish Council to inform them of the Internal Audit work carried out. The details of this Internal Audit Report should be minuted by the Parish Council.

The responsibility for the prevention and detection of fraud, error and non-compliance with the law or regulations rests with the Council. The internal audit should not be relied upon to disclose all material misstatements or frauds, errors, or instances of non-compliance, as may exist.

As the Councils appointed internal auditor, I confirm that I am independent of the Council.

I would like to acknowledge the support and assistance provided by the Parish Clerk during the internal audit review.

Eleanor Choudry, CiLCA, AAT, PIALC

Internal Auditor

4th May 2025