

Annual Internal Audit Report 2024/25

AZERLEY PARISH COUNCIL

<https://www.azerleyparishcouncil.org.uk/> ILABLE WEBSITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2025, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2024/25 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
H. Asset and investments registers were complete and accurate and properly maintained.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I. Periodic bank account reconciliations were properly carried out during the year.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
K. If the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(during the 2024-25 AGAR period, were public rights in relation to the 2023-24 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set)</i> .	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
N. The authority has complied with the publication requirements for 2023/24 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> .	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

DD/MM/YYYY

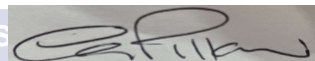
11/04/2025

DD/MM/YYYY

ENTER NAME OF INTERNAL AUDITOR

Elkerlodge Services Ltd

Signature of person who carried out the internal audit



Date

11/04/2025

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

				<u>Banks Accounts</u>	<u>o/b</u>	<u>c/b</u>	<u>Opening Balance Check</u>		<u>Closing Balance Check</u>	
1 Balances Brought Forward	8,367.00	8,367.30	-0.30		8,367.30	8,046.89	O/B Bank Statement	8,367.30	C/B Bank Statement	8,046.89
2 Precept or Rates and Levies	7,280.00	7,280.00	0.00				O/B Cashbook	8,367.30	* C/B Cashbook	8,046.89
3 Total Other Receipts	423.00	422.54	0.46					0.00		0.00
4 Staff Costs	5,104.00	5,104.46	-0.46		8,367.30	8,046.89	unpres payments at Y/E		* unpres payments at Y/E	0
5 Loan Interest/Capital Repayment		0.00	0.00				unpres receipts at Y/E		* unpres receipts at Y/E	
6 All Other Payments	2,918.00	2,918.49	-0.49				should be Zero	0.00	should be Zero	0.00
7 Balances Carried Forward	8,047.00	8,046.89	0.11	<u>Activity Check</u>			<u>Receipts Check</u>		<u>Payments Check</u>	
8 Total Cash and Short Term Investments	8,047.00	8,046.89	0.11	O/B Cashbook	8,367.30		Total Receipts in Yr	7,702.54	* Total Exp in Year	8,022.95
Asset Value			0.00	Total Receipts in Yr	7,702.54		Less Precep	7,280.00	* Salarie in the Year	5104.46
				Total Exp in Year	8,022.95				Milage All	
					8,046.89		Total Other Receipts	422.54	Paye in Yr	
				C/B Cashbook	8,046.89				Total Staff cost	5,104.46
				should be Zero	0.00				Other Exp on CB	2,918.49

0

**ElkerLodge Services Ltd Internal Audit Service
Checklist for Year Ending 31 March 2025**

This report has been prepared for the sole use of.

Azerley Parish Council

Website

www.azerleyparishcouncil.org.uk

No responsibility or liability is accepted by Elker Lodge Ltd to any third party who purports to use or rely, for any reason whatsoever, on this report, its contents or conclusions.

Overview of Audit / Points to Note	The Financial Records, Council documents and Website are presented well by the Clerk Policies in place Grievance & Disiplinary policy would be better seperated as per Nalc templates
Review of minutes	Review Activity & decisions Minute show clear Resolutions in place Annual Parish Council Meeting (APCM) - 23/5/2025 Annual Parish Meeting (APM) - 23/5/2025
Accounts Package	Excel
A. Appropriate accounting records have been properly kept throughout the year.	Accounts are recorded on a spreadsheet which is appropriate to the size of the Council. S137 - Within limits / Minuted / direct benefit to electorate General Power of Competence (GPC) - Hot Held
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for.	Financial Regulations are properly tailored to council There are adequate controls over the receipt and payment of invoices, spreadsheet appropriate for size of council and invoices presented to meetings I reviewed a sample of payments and found them to be supported by invoices, and that VAT had been correctly accounted for. Payments clearly shown in minutes Internet payments - approved by 2 councillors No purchases in the Quote or tendor threshold

No responsibility or liability is accepted by Elker Lodge Ltd to any third party who purports to use or rely, for any reason whatsoever, on this report, its contents or conclusions.

<p>C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</p>	<p>An insurance policy covers the relevant risks. Fidelity £250k appropriate An internal control document has been developed and is to be used, and reviewed by the Council in with in all papers are bank statements for clls to review position at each meeting All electronic documentation is backed up to Microsoft cloud & memory stick.</p>
<p>D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.</p>	<p>The Parish Council approved a budget at its meeting on 30/11/2023, budget is in the minutes The Parish Council set a precept of at its meeting 30/11/2023, precept value is in the minutes. Precept amt should be shown in minutes The Council reviews payments; progress is monitored by reporting bank balances & cashbook balances each meeting, this is all clear in the minutes. Reserves - advise building a reserve for Defib replacement</p>
<p>E. Expected income was fully received based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.</p>	<p>I confirmed that the precept of £7280 was credited to the Council's bank account. Wayleave & dividend was received & banked</p>
<p>F. Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for</p>	<p>Not Held</p>
<p>G. Salaries to employees and allowances to members were paid in accordance with the authority's approvals, and PAYE and NI requirements were properly applied.</p>	<p>The only member of staff (the Clerk) has a contract of employment, which is signed by both employer and employee. Pay roll run External agency Payslip seen - deductions calculated appropriately</p>
<p>H. Asset and investment registers were complete and accurate and properly maintained. This section/assurance should be extended to include loans to or by the authority</p>	<p>The Council maintains a suitable asset register I confirmed that the assets recorded on the asset register agreed with the entry on the AGAR.</p>
<p>I. Periodic bank account</p>	<p>Regular bank reconciliations are presented to the Council. I reviewed the year-end bank reconciliation see Calcs Sheet</p>

No responsibility or liability is accepted by Elker Lodge Ltd to any third party who purports to use or rely, for any reason whatsoever, on this report, its contents or conclusions.

<p>J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cashbook, supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded.</p>	<p>The Council maintains its accounts on the correct basis, namely Receipts and payments I reviewed the AGAR accounting statement Part 2</p>
<p>K. If the authority certified itself as exempt from a limited assurance review in the prior year, it met the exemption criteria and correctly declared itself exempt. 2023/ 2024 Year</p>	<p>The Parish Council intends to certify itself as exempt from a limited assurance review (as it did last year) when it approves its AGAR in 2024. I confirm that the Council meets the criteria. The authority was in existence on 1st April 2020 Gross annual income or gross annual expenditure does not exceed £25,000 Has not: • issued a public interest report in respect of the authority</p>
<p>L. The authority publishes information on a free to access website / web page, up to date at the time of the internal audit in accordance with any relevant transparency code requirements</p>	<p>The website is clear, and user friendly. The Council complies with this requirement - specifically re:- Accounts from 2015 are on the Web - 15/16 16/17 Minutes from 2015 are on the web - 15/16 16/17 It complies with the Transparency code's publication requirements.</p>
<p>M. The authority, during the previous year, correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations.</p>	<p>Public rights for 2023/24 were properly exercised. Notice seen Notice on Web</p>
<p>N. The authority complied with the publication requirements for the prior year AGAR.</p>	<p>Form 2 - 2023 / 2024 Smaller authorities must publish various documents on a publicly available website as required by the Accounts and Audit Regulations 2015, the Local Audit (Smaller Authorities) Regulations 2015 and the Transparency Code for Smaller Authorities. These include Certificate of Exemption, page 3 Annual Internal Audit Report 2023/24, page 4 Section 1 – Annual Governance Statement 2023/24, page 5 Section 2 – Accounting Statements 2023/24, page 6 Analysis of variances Bank reconciliation Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015.</p>
<p>O. Trust funds (including charitable) - the Council met its responsibilities as a trustee</p>	<p>The Council does not act as a trustee for any trust funds. Pre Agar Answer - NA</p>

Item No	Section	Comments	To check on audit	Version	Status	Ref	Seen on Web	Note
Basic Governance								
1	Standing Orders	NALC Model 2023	1	16-Feb-23	AR/BP/SR*		Yes	Up to Date
2	Financial Regulations	NALC Model 2024	1	2024	SR	1	Yes	Up to Date
4	Code of Conduct	New LGA Code of Conduct 2021 , endorsed by NALC All local councils are required to adopt a Code of Conduct.	1	21/05/2021	SR	3	Yes	
11	Members' Registers of Interest	A complete set of up-to-date registers of interest for all current councillors (copy held by Monitoring Officer), and on the website of the local council.	1		SR	4	Yes	
17	Co-option Policy		1	18/09/2019	BP		Yes	
18	Terms of Reference for committees		1		BP		No	
21	Publication Scheme under the Freedom of Information Act 2000 Model		1		SR	6	Yes	
22	Privacy Notices: General	Part of NALC GDPR Toolkit	1	31/05/2022	SR		Yes	
	Privacy Notices: for employees, councillors, volunteers	Part of NALC GDPR Toolkit	1	31/05/2022	SR		Yes	
24	Data protection/information security policy - GDPR	Nalc Model A policy describing how the council intends to discharge its duties under GDPR. Examples available from YLCA	1	31/01/2020	BP		Yes	
27	Complaints procedure	Requirement of FOIA. (NALC LTN9)	1	13/12/2018	SR		Yes	
	Recording Policy		1	16/09/2019	BP		Yes	
31	Website Accessibility Statement	Sets out what web site content is and isn't accessible and how users can contact the council for assistance	1		SR	12	Yes	
68	Schedule of charges & fees for council information (see 21)	Publication scheme for charges and fees must be included on the council's website	1		SR	19	Yes	Within Publication Scheme
69	Reserves Policy	The Practitioners Guide provides information regarding reserves,	1		BP		Yes	
80	Grievance procedures	NALC Model.	1	09/08/2024	BP		No	Recommend adopting - would be better seperated as per Nalc Templates
81	Disciplinary procedures	NALC Model.	1	09/08/2024	BP		Yes	
89	Business Continuity Plan	Note - may not be on web due to sensative information	1	29/09/2020	BP		Yes	
92	Training Statement of Intent	All councils should have a statement outlining the Continuous Professional Development (CPD) training requirements for	1	03/08/2020	BP		Yes	