Lincolnshire Association of Local Councils

Internal Audit Checklist 2024/25

Name of Parish or Town Council	**Dunholme Parish Council**			
Parish Council website	https://dunholme.parish.lincolnshire.gov.uk/ I am aware that the council launched a new (LCC-based) website in May 2025. At the time of initial audit, there were a few teething troubles with the information on it. Some of these may have now been resolved but my comments stand as at the point I audited the information on the website.			
Name of internal auditor	**Elaine Atkin**			
Date of audit	**22/06/25 – 11/07/25**			
Type of audit	Intermediate	x	Year-end (including AGAR)	x
Council contact information	**Name**		**Email**	
Clerk	Laura Richardson		clerk@dunholme-pc.gov.uk	
RFO* if different				
Chairman*	Cllr Tony Pache		cllr.t.pache@dunholme-pc.gov.uk	

Electorate		**Total number of seats**	9
Quorum	3	**Number of seats filled at time of audit**	8 – according to DPC website 6 – according to latest minutes on the website (May 2025) 5 – according to WLDC list showing Register of Interests Clerk confirmed there are currently 7 councillors (still 8 on the website). WLDC website has some details missing.

Precept Demand 2024/25	£54,077	**Gross budgeted Income**	£76,372
Date of most recent audit	17/06/24	**Gross budgeted Expenditure**	£76,372

	Tested?	Comments
Has the internal auditor seen previous internal and external audit reports including the most recent? What were the main recommendations?	Y	2023-24 internal audit completed by this auditor. **Main recommendations:** Issues with the publication and formatting of documents/information on the council's website. Formal Terms of Reference for the council's Working Groups. Formal HR Committee, with Terms of Reference, agendas and minutes. Published documents obviously copied from another local council and containing errors relating to the other council, not this one. Need for care/checking of information published. 2023-24 external auditor recommendation to ensure that all official Council documents are published on the website.
Were the auditor reports and actions implemented? Have the actions appeared in the minutes? *(JPAG The Practitioners' Guide para 4.26)*	**Y**	June 2024 minutes (24/07/06.b): "To receive the Internal Audit comments and take any necessary action. This was circulated to Councillors prior the meeting. The Clerk will carry out any matters arising." (Details of actions not specified in the minutes). It is obvious from the 2024-25 audit that some of the matters identified in the 2023-24 internal audit are still outstanding.

	Key governance review	Tested?	Comments & recommendations	Risk[i]		
				Low	Med	High
1	Standing Orders *(up to date, tailored, reviewed and lawful)*	Y	Website version: No version number/date approved, so it is not clear when this was		x	

			last reviewed. According to minutes, Standing Orders were reviewed in May 2024. Numbering/formatting is confusing. 18.3 (and later) refer to £25,000 threshold. This threshold was changed to £30,000 in December 2022. **Recommendation:** Council reviews/adopts the new model Standing Orders, released in March 2025, and maintains version control.			
2	Financial Regulations* (up to date (at least 2019 or 2024 version), tailored, reviewed and lawful)	Y	Website version (at time of initial check): No version number/date approved, so it is not clear when this was last reviewed. According to minutes, Financial Regulations were reviewed in May 2024. Still refers to £25,000 threshold. This threshold was changed to £30,000 in December 2022. Website checked 26/06/25 – new version uploaded but it is completely unreadable. **Recommendation:** Council reviews/adopts the new model Financial Regulations, released in March 2025., and maintains version control. All documents are reviewed once on the website to ensure they are readable.		x	
3	Terms of reference (committees / working groups) *(Agenda - clear days' notice, quorum, no individual councillors making decisions)*	Y	July 2024 minutes (24/07/11) say: *"agreed by all not to form committees with official agendas and minutes. If working group meetings are held*		x	

			between full council meetings, reports will be submitted to the Clerk to circulate with the full council meeting paperwork. All decisions will be made at Full Council meetings." Council should have as a minimum, a HR Committee, with ideally a minimum of 3 members. This should have agendas and minutes (published). HR matters cannot be resolved by Full Council in case there is an appeal to a decision (and this would leave no impartial councillor available to investigate). Clerk confirmed that there are only 2 councillors on the HR Working Group. Staff policies on the website refer to HR Working Group. No terms of reference for this or any of the other Working Groups on the website. Terms of Reference are required to ensure that it is clear what the remit of these Working Groups are, how many people should sit on them, how and where they report to. **Recommendation:** Council is currently vulnerable in not having a formal HR committee (best practice), with a minimum of 3 members.HR matters should be documented/recorded in the event of a grievance being raised against the council. If council is not following ACAS guidelines then this is a significant risk. There should be clear Terms of Reference agreed for all the Working Groups.			

4	Councillors' Code of Conduct*	Y	WLDC Code of Conduct adopted (based on LGA Code). No date of adoption evident. There is no reference to say that this is actually the Code of Conduct for Dunholme Parish Council. (WLDC would have provided guidance to parish and town councils adopting its Code of Conduct – part of the guidance was to ensure that the Code relates to the local council).	x		
5	Complaints procedure* (tailored and reviewed)	Y	No date/version so it is not clear when this was last reviewed. According to minutes, it was reviewed in March 2025. The procedure doesn't actually mention Dunholme Parish Council. **Recommendation:** This policy is reviewed to ensure it is tailored to DPC, and also version control is added for clarity.	x		
6	Insurance Cover • Reviewed annually for levels of cover • Certificate(s) viewed & valid • Employees' Liability Cover in place and published* • Public Liability Cover • Employees' Fidelity Guarantee • Councillors' ages reviewed and recorded (some policies restrict some or all cover over certain ages) • Other e.g. vehicles, assets, equipment, volunteers … • Compare schedule against asset register and ensure adequate insurance is in place for items to be covered. • Public liability insurance must match the PLI for any delegated services, assets (£10million) • Any insurance claims during the previous 12 months which may affect the policy and valuations and cover.	Y	June 2024 approved 3-year insurance arrangement (but minutes don't actually say who with). For complete transparency, this should be public information. Clerk confirmed this is via Clear Councils. Public Liability certificate seen – valid to June 2026. Clerk confirmed that councillor ages are not checked. (Some policies have claim limits that vary once a councillor hits a certain age threshold).	x		

			Recommendation: That the insurance policy is checked for age limits.			
7	General Power of Competence *(decision compliant with S.1-8 Localism Act 2011 and 'The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012').* • *Date and minute reference GPOC adopted* • *Qualified Clerk? (CiLCA 2015 or later or Level 4 Community Governance or higher qualifications seen* • *Two-thirds elected councillors at the time of adoption during the current cycle.*	N/A		x		
8	Publication scheme (based on the ICO model template) *(up to date, tailored, reviewed and lawful)* and published on the council website*	Y	On website: Publication Scheme including Information Available under the scheme. This is not up to date. For example, it says Annual Return, Standing Orders, Financial Regulations are only available in hard copy when these are on the website. It says minutes are available on the website but at the time of initial check, there were many minutes missing from the website. (See 21). **Recommendation:** That the Information Available under the Publication Scheme is reviewed to ensure it accurately says how specific pieces of information can be accessed.		x	
9	GDPR policies in place* • Record Retention Schedule • Data Breach Assessment • Process for dealing with a Subject Access Request • Security Compliance Checklist ….	Y	Not on website. Clerk confirmed they have: • Councillor compliance checklist • Data Breach Policy • Subject Access Request procedure • Record Retention Policy	x		

			All due for renewal September 2025. Will put on website once reviewed.			
10	Arrangement for inspection of public records adequate* (*Announcement at least one day after parish council approval, announcement at least one day ahead of inspection period, minuted approval by council of inspection period dates - 30 working days including first 10 working days of July).*	Y	Notice published.	x		
11	External audit report published by 30 Sept *(not applicable to councils validly certified as 'Exempt'.)**	Y	2023-24 Auditor's certificate published. Clerk published Notice of Conclusion of Audit statement, however this notice references out of date incorrect legislation (Audit Commission Act 1998 & The Accounts and Audit Regulations 2012). **Recommendation:** External auditor provides relevant templates each year and it is recommended that the Clerk uses the correct Notice of Conclusion of Audit statement. This will reference the Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015.		x	
12	Website Accessibility Statement reviewed and published online* https://www.gov.uk/guidance/accessibility-requirements-for-public-sector-websites-and-apps	Y		x		

Transparency		**Tested?**	**Comments & recommendations**	**Risk**		
				Low	**Med**	**High**
13	End of year accounts published by 1 July*	Y		x		
14	Annual Governance statement published by 1 July* Correctly claimed exemption from audit (if relevant)	Y		x		
15	Documents listed on front page of AGAR form published as specified.	Y		x		

16	Agendas and meeting papers published with three clear days' notice for parish/ town council meetings*	Y	Agenda for meeting on 3 June 2024 seems to have been called on 29 April (prior to the May meeting). Is this correct? Clerk pulled up agenda which has May date of calling and believes this was an error when publishing on the website. Agenda for AGAR approval meeting on 24th June 2024 (as mentioned in minutes from 3rd June 2024) has not been published (nor have the minutes). Clerk confirmed that a councillor is currently in the process of adding these to the website. December 2024 agenda says: 'to be uploaded' (at time of checking). January, February & March 2025 agendas do not have the actual date of meeting on it. Actual agendas were correct but obviously an issue with them being published on the website. **Recommendation:** I understand that the website is being populated/managed by a councillor. The clerk as Proper Officer, is still responsible for ensuring that the correct information is published and therefore should be checking that the website is correctly up to date.		x	
17	Past 5 years of annual returns available online*	Y	4 years' online (on new website).	x		
18	Asset register published by 1 July*	Y		x		
ICO Model Publication Scheme expected requirements:						

19	All items of expenditure above £100 published by 1 July (over £500 for larger Councils)	Y	Payment information detailed in minutes – although significant number of minutes missing off the website (at time of initial check) and some of those published have payment information missing. (See comments under 57). Clerk has confirmed these have now been corrected.	x		
20	Councillor responsibilities published by 1 July	Y	Working Group memberships detailed on Parish Councillors page however it is not clear if this is up to date due to discrepancy over number of current councillors. (See comments at start of the checklist).	x		
21	Draft minutes published within one month of the meeting	Y	New website under Minutes 2024-25 was missing May 24, October, November, December, January 2025, February, March (at time of initial check) but have been subsequently seen. 24 June 2024 AGAR submission meeting minutes (and agenda) – as referenced by 3 June 2024 meeting - also missing. At time of meeting the clerk (11/07/25), the latest minutes on the website was May 2025, but two meetings have been held since then.		x	
Councils over £200K turnover:		N/A				
22	Senior officer salaries published*	N/A				
23	Data on issues important to local people *(eg.subsidised trade union activity, projects, parking, grants)**	N/A				

24	Procurement information over £5,000 published*	N/A				

Accounting		**Tested?**	**Comments & recommendations**	**Risk**		
				Low	**Med**	**High**
25	Cashbook maintained and up to date	Y	Updated every couple of weeks. Definitely the week before a meeting. Currently implementing Sharepoint for councillors so they can access current expenditure. Different councillors check bank reconciliation.	x		
26	Arithmetically correct (checks / balance)	Y		x		
27	Evidence of internal control *(compliant with Financial Regulations)*		Not tested.			
28	VAT* • evidence of recording • evidence of reclaiming	Y	VAT recorded on finance spreadsheet. Reclaimed every 3 months unless there isn't much to claim, in which case the clerk waits until there is more.	x		
29	All payments supported by authorised, minuted invoices	Y	Payments authorised at meetings. Don't tie the minute reference back to the invoices. Authorising minute not recorded on finance spreadsheet. **Recommendation:** Clerk may want to consider recording the authorising minute against expenditure, to tie the process all together.	x		
30	s.137* *(last resort power for non-GPC councils)* • Recorded separately within accounts • Within legal threshold limits for the current year • Spend in accordance with legislation	Y	Remembrance wreath payment approved October 2024. No reference in the minutes to S.137, however identified as S.137 in finance spreadsheet. £750 St Chads grass cutting also identified as S.137 in finance spreadsheet	x		

			and in June 2024 minutes. Please note that there is a lawful power for a council to pay for/pay a grant to the PCC to cut the grass in a churchyard (S.214 LGA 1972) and S.137 (the power of last resort) should therefore not be used. (Clerk confirmed at last year's audit that she was unsure what power should be used). **Recommendation:** For transparency, s.137 should be recorded in the minutes. The clerk may want to consider confirming the power relevant to expenditure prior to council approving the payments.			
31	Payments made in accordance with Financial Regulations • Cheques • Online banking • BACS • Direct Debit • Credit or debit cards • Other payments	Y	BACS, direct debit, some use of debit card (clerk). No cheques used. Financial Regulations – specifies limit of £500 for use of debit card (unless otherwise specified at a meeting).	x		
32	If Investments total over £100,000 an Investment Strategy has been adopted and ensure long-term investments for 12+ months are recorded in the Asset Register. (*TPG 2.25-2.28 & 5.181-5.190)*	N/A				

Budget		**Tested?**	**Comments & recommendations**	**Risk**		
				Low	**Med**	**High**
33	Annual budget in support of precept approved by full council and minuted*	Y	November 2023 minutes refer to 2024-25 draft budget but actually agree draft precept (£53,899). No evidence of budget approval in the minutes. (Picked up in last year's audit also).		x	

			When confirming the budgeted income and budgeted expenditure for 2024-25, the clerk commented that these were agreed to fit the precept amount. **Recommendation:** Council should go through a proper budgeting process to determine the planned income and expenditure for the new year. Taking account of any planned movement to or from reserves, this will determine the figure council want to request via the precept. The draft and final budget should be formally approved by council, as well as approving the draft and final precept amount.			
34	Precept demand properly minuted*	Y	2024-25 precept minuted as £54,077 (January 2024 minutes).	x		
35	Earmarked reserves reviewed	Y	Not evident from minutes. Clerk confirmed that reserves are reviewed as they go along but don't actually minute it. **Recommendation:** That there is a formal and minuted review of reserves, on a frequency as determined by Financial Regulations.		x	
36	Budget is monitored regularly with variances reported to council in line with Financial Regulations. Variances from budget explained	Y	Not evident from minutes. Clerk confirmed that council look at it but don't minute it. Going forwards councillors will have access to Sharepoint folder so they can see up to date information. **Recommendation:** There is a formal and minuted review of variances against budget, with a frequency as determined by Financial Regulations.		x	

Income control		Tested?	Comments & recommendations	Risk		
				Low	Med	High
37	Income properly recorded and banked promptly	Y	Most income comes via online banking. No cheques etc.	x		
38	Precept income received in bank account	Y	Came in on 1 April.	x		
39	Effective security of cash and cash transactions	N/A				
40	Effective security of card transactions	Y	Verification code sent to clerk's mobile.	x		

Bank reconciliation		Tested?	Comments & recommendations	Risk		
				Low	Med	High
41	Regular bank balances minuted and bank statement reconciliation and signed off by members and minuted.	Y	Not evident from minutes. Clerk confirmed that chair previously checked bank reconciliation against bank statements however in the future this will be rotated amongst all the councillors. **Recommendation:** That it is minuted that the bank reconciliation was checked and signed off by councillor x, and that the bank balances were y.		x	
42	Balancing entries (adjustments) explained	Y	No adjustments.	x		
43	Bank mandate up to date -Evidence of signatories reviewed and minuted	Y	Not evident from minutes. Currently 3 councillors on the mandate. Need to add 1 more councillor. Clerk having difficulties with Nat West who have not been very helpful. Sending out a form for next meeting. Nat West not giving them the access they have asked for. Looking at alternative bank.		x	

	Petty cash	Tested?	Comments & recommendations	Risk		
				Low	Med	High
44	Petty cash account used/authorised	N/A				
45	Petty cash spending supported by VAT receipt(s)	N/A				
46	Petty cash reported to Council	N/A				
47	Petty cash float reconciled/reimbursed	N/A				

	Asset control	Tested?	Comments & recommendations	Risk		
				Low	Med	High
48	Register of assets* • Exists • Reviewed and up to date • Published	Y	2024-25 asset register not on website (at time of initial audit). Clerk provided a copy. Asset list updated each time they make a purchase. Shared with council at year end. To go into Sharepoint folder. **Recommendation:** The asset list does not identify items added or items disposed in the year. Doing this would make it easier to determine the year-end asset figure for the AGAR. (It would also help with the explanation of variances if this were large enough to require an explanation on the AGAR). The clerk may also want to consider recording date purchased, supplier, insurance valuations etc (best practice). It is also not clear whether the assets are recorded at net value (not gross), as stipulated in the Practitioners' Guide.		x	
49	Assets inspected and Health & Safety issues considered* • Play equipment • Street furniture • Fire safety	Y	Play areas used to be checked monthly by Welton Parish Council, however they are no longer able to offer this service.	x		

	• Defibrillators • Other		One of the DPC councillors has recently been on play area training. Annual inspection done by Play Safety. Other assets visually checked by councillors but not recorded. Defibrillators –are maintained via a service from WLDC. **Recommendation:** All checks (even informal ones), are documented so that if there is an issue with one of the council's assets, having the record may help in council's defence. (Picked up in last year's audit also).			
51	Land and property registered with HM Land Registry. https://www.gov.uk/government/publications/registering-local-authority-land-and-property-with-hm-land-registry/register-local-authority-land-and-property	Y	Yes. Paperwork in locked filing cabinet in village hall. Not seen by the auditor.	x		

Risk management		**Tested?**	**Comments & recommendations**	**Risk**		
				Low	**Med**	**High**
52	Risk Register / Management scheme in place	Y	General Risk Assessment on website. Appears to be last reviewed June 2023. According to minutes, Risk Assessment was reviewed in May 2024. Financial Regulations state that risks shall be reviewed at least annually. **Recommendation:** Latest Risk Assessment is put on website. (Reviewed June 2025).		x	
53	Annual risk assessment undertaken as a minimum	Y	According to minutes, Risk Assessment was reviewed in May 2024.	x		

			Risk Assessment document seen by the auditor. Version on website needs updating.			
54	Financial controls and procedures documented	Y	As per Financial Regulations.	x		
55	Regular financial reporting to Council in line with Financial Regulations	Y	Monthly – list of payments for approval by councillors.	x		
56	Grants ratified and minuted according to policy	Y	Grants Policy on website (reviewed March 2025). Policy references application form – this is not on website. Clerk showed auditor the application form. No date reviewed/version control. No evidence from minutes of making a grant. (Just PCC St Chad's grass cutting).	x		
57	Evidence of unusual activity from minutes	Y	Missing minutes on the website (at time of initial check) but have subsequently been seen. May 2024 minutes as supplied are incomplete. May 2024 (24/05/12.a) 'agreed to apply for further funding [for new play area] but for half of the cost and the Parish Council will match fund.' This decision was not resolved. Incomplete minutes: July 2024, 24/07/07.a approved a quote for a new play area from Wicksteed "for the cost of £". Incomplete minutes: September 2024, 24/09/05.a "agreed by all to make the following payments:- ". No payment information included.		x	

			See comments under 3 regarding a decision on committees/working groups. Frequent typing error in minutes. **Recommendation:** As per previous comments, someone (preferably the Proper Officer) should be checking the information published on the website and should not be totally reliant on another councillor updating the information.			

General		Tested?	Comments & recommendations	Risk		
				Low	Med	High
58	Back up of files adequate	Y	Monthly manually backed up to OneDrive. Clerk does not trust autosave. Council needs to be happy that in the event of the clerk's laptop failing, it is not going to lose crucial information.	x		
59	Storage of files (paper and electronic) adequate	Y	Clerk's house stores (current year) and previous year accounts. Everything else held in filing cabinet in locked room at village hall. Council needs to be happy that the filing cabinet is secure and fireproof, in the event of a fire at the Village Hall (or similarly with current information stored at the clerk's house).	x		
60	Local Council Award Scheme applicable? • Foundation • Quality • Quality Gold	N/A				
61	Registered with Information Commissioner's Office *(if relevant)*	Y	Council is registered but clerk has not got a certificate.		x	

			Clerk to chase.			

Proper Process / Practice		Tested?	Comments & recommendations	Risk		
				Low	Med	High
62	Employee posts properly approved/ recorded/ correct job descriptions in place for each post holder and amendments are confirmed by letter. • Proper Officer (Clerk) • RFO • Deputy Clerk • Admin assistant • Site staff/ Grounds workers • Other	Y	Clerk & village maintenance facilitator. No change in staffing since last year's audit. JDs reviewed at appraisal time.	x		
63	Public sector IR35 rules applied where applicable https://www.gov.uk/guidance/off-payroll-working-for-clients	N/A				
64	Right to work checks for employees completed https://www.gov.uk/check-job-applicant-right-to-work	N/A				
65	List of Members' interests* • displayed on council website /link to District Council • reviewed regularly *(Members have a statutory requirement to complete and report changes within 28 days of change)* • Interests declared in meetings and members follow Standing Orders and Code of Conduct • Dispensations approved as set out in Standing Orders and minuted.	Y	Website links to WLDC. Only 5 councillors' Register of Interests published. (This contradicts the number of councillors as per DPC website and also number of councillors ascertained from latest published minutes). **Recommendation:** Correct councillor information updated on DPC and WLDC websites. Clerk to chase WLDC again (already raised with them). (This was raised as an issue at last year's audit). Declaration of interests agenda item in place. Dispensations not referenced.		x	

66	Declarations of Acceptance of Office* • Councillor (after election/ co-option) • Chair (at least annually)	Y	Clerk confirmed Declaration of Office as Chair in place, but this could not be evidenced. No new councillors in 2024-25.		x	
67	Co-options (after eligibility and disqualification checks) approved by council by a vote, minuted and according to policy	Y	Co-option Policy in place. (Reviewed March 2025). Formatting/numbering is confusing. Not clear in the policy: Candidates are invited to the meeting. Presumably the vote is held in open session, as required, but the clerk then notifies candidates with the results within 24 hours – but any candidate present at the meeting would already know the result as the vote won't be secret. Policy still refers to the quorum being 7 when this is incorrect – it is 3. (This was raised at last year's audit).		x	
68	Agenda documents lawful and published*	Y	Some of the published agendas do not have the date of meeting. Clerk confirmed that actual agendas were correct, and the issue is with the information going onto the website. See comments under 16.		x	
69	Minutes lawful and published/ hard copy signed* - *Apologies noted or resolved to be accepted?* *- A member absent for 6 months handled correctly?* *- Minutes sequential?* *- Members present and not present recorded*	Y	Members not present not recorded. Doesn't appear to have been any pecuniary interests declared, so not clear	x		

	- Interests correctly minuted and members leave room in accordance with Code of Conduct and Standing Orders (Ss27-33 Localism Act 2011) *- Dispensations applied for and granted in accordance with Standing Orders (S.33 Localism Act 2011)* *- Resolutions are minuted and stated with clarity.*		whether members leave for that agenda item. Clerk confirms no interests have been declared.			
70	Confidential items correctly used and resolutions minuted and published *Public Bodies (Admission to Meetings) Act 1960 S.1(2)*	Y	Doesn't happen very often. No evidence in the 2024-25 minutes.	x		
71	Council-owned email address account in place *TPG 1.26y*	Y	clerk@dunholme-pc.gov.uk	x		
72	Purchase order system used/correct	Y	Not used.	x		
73	Purchasing authorised in line with Financial Regulations / limits	Y	Clerk has not had to buy anything outside the limits. If so, it would go to council for authorisation.	x		
74	Council operating within legal powers* Best practice to include legal power in resolutions of council.	Y	Legal powers not recorded. As a minimum, S.137 expenditure should be recorded. Council should review use of s.137 for St Chad's grass cutting as there is a power to do this. (See comments under 30).		x	
75	Delegation to officers or committees • Lawful delegation (an individual councillor does not have decision-making powers – S.101 Local Government Act 1972) • Limits set out in financial regulations and / or standing orders or policies or schemes of delegation; • adhered to; • reported adequately	Y	No committees. Working Groups only. HR working group – 2 people. Have to go back to full council for decisions. (See comments under 3). Financial Regulations & Standing Orders specify delegation to clerk.	x		

Payroll & HR	**Tested?**	**Comments & recommendations**	**Risk**		
			Low	**Med**	**High**

76	Written statement of particulars for all staff from day one (April 2020 onwards) https://www.gov.uk/employment-contracts-and-conditions/written-statement-of-employment-particulars and amendments to contracts confirmed in writing*	Y		x		
77	Proper procedures for payroll, PAYE & NI registered with HMRC and monthly reporting of RTI and Pensions*	Y	HMRC basic PAYE tool used.	x		
78	Is payroll inhouse or external provider used?	Y	In-house x External	x		
79	PAYE & NI payments spot checked - calculations	Y	All done by the HMRC tools.	x		
80	Employers Allowance – Councils are not eligible – payroll system checked.	N/A				
81	Approval of salaries and increments minuted	Y	Clerk has not had an increment, other than national pay award. Clerk to raise at next appraisal.	x		
82	Approval of expense claims	Y	Clerk receives a monthly allowance towards home broadband. Identified separately on finance spreadsheet.	x		
83	Minimum wage threshold met	Y		x		
84	HR procedures and policies adopted / reviewed	Y	Website: Equality Policy, Dignity at Work Policy, Staff Support, Appraisal and Performance Policy (this should have been reviewed in February 2025). Staff support policy references Grievance Policy. It also covers performance, but it is not clear whether this includes Disciplinary Policy. **Recommendation:** To confirm whether disciplinary and grievance are covered within the staff support policy. If not, these policies should be adopted.		x	

85	Training policy and record staff /elected Members	Y	Not on website. Clerk confirmed they don't have one. Minutes reference LALC Training Bulletin and councillors encouraged to notify the clerk if they want to attend training. Clerk confirmed they don't keep a record of training. **Observation**: It is best practice to adopt a training and development policy for councillors and officers, also to maintain a record of training.	x		
86	Probation review completed for new staff within probation period.	N/A				
87	Annual appraisals undertaken	Y	Done in March, then every 4 months. Village maintenance facilitator meets regularly with HR Working Group councillors and raises issues with her. Clerk is her line manager. No evidence from minutes of outcomes of appraisals, including recommendations, being fed back to full council for action if required.		x	
88	Job description up to date / reviewed	Y	Reviewed at appraisals.	x		
89	Health and safety of staff workstation & PC equipment undertaken * • Display Screen Equipment	Y	Done annually.	x		

90	Registered with The Pensions Regulator* Reference number Date of (Re)Declaration of Compliance (every 3 years)	Y	Do compliance checks. Note: Every employer should be in a position to offer a workplace pension. Even if the employer has no eligible employees the employee may still ask to contribute to a workplace pension (with or without an employer contribution that has to be part of their workplace pension policy) but the employer should have a workplace pension available. The employer may even have employees who are eligible to be opted-in because they exceed the statutory pay threshold.						x	
91	Adequate Pension provision in place to meet statutory requirements https://www.gov.uk/employers-workplace-pensions-rules	Y	LGPS				Tick		x	
			NEST				Tick			
			Other				No provision in place.			
	• Automatic Enrolment for Staff*	Not evidenced	**Y**		**N**		DD/MM/YYYY			
	• Opt-Out Evidenced*	Not evidenced	**Y**		**N**		DD/MM/YYYY			

Transaction spot check (Sample test transactions such as largest payment, employee salaries, direct debit, S.137, VAT, Councillors payment, etc)

Check number	1	2	3	4	5	6
Ledger date						
Item / budget heading	Greystones Architectual Services - Village Hall feasibility Study	EE Broadband and mobile phone	Future Farming Limited Grass Cutting and Village Maintenance	RBL Remembrance Day wreath	W & AC Rose Farms Ltd Christmas Tree	P Westman Landscapes Ltd Manor Farm Pond Maintenance
Reference / Cheque number	BACS	DD	BACS	Debit card	BACS	BACS
Order minute reference						
Delivery evidence						
Payment minute reference	April 2024 24/04/05 b	June 2024 24/06/06 b	August 2204 24/08/05 b	October 2024 24/10/05 b	January 2025 25/01/05 c	March 2025 25/03/06 a
Invoice value	INV 2404-1 £2255.69	Don't have invoices. EE have incorrect email address so DPC can't access invoices and can't access authorisation email to be able to sort this out.	SI-275 £1980	Done online. Not got an invoice. Got dispatch confirmation. Order number 12001987133.	4199 ff£20 + £64 = £384	No invoice number – 13/02/25 £895
Minute value	£2255.69 No VAT	£46.90 + £9.38 VAT = £56.28	£1650 + £330 VAT = £1980.00	£24.49 No VAT	£320.00 + £64.00 VAT = £384.00	£895.00 No VAT
Payment value						

Statement value	**10/04/24** **£2255.69**		**07/08/25** **£1980**	**18/10/24** **£24.49**	**28/01/25** **£384**	**06/02/25** **£895**
Timely payment						
VAT recorded	**No VAT**	**£56.28**	**£330** **Cannot claim VAT as invoices to DPC but Village Hall address not DPC official address.**	**No VAT**	**£64.00**	**No VAT**
S137 recorded in ledger				**Yes**		
S137 minuted				**No**		
Notes/ recommendations		**Issue getting invoices needs chasing and resolving.**	**Invoices correctly addressed to DPC required.**	**Clerk to ensure that an invoice is provided.**		

	Year End Process	Y/N	Comments & recommendations	Risk		
				Low	Med	High
92	Accounting method correctly applied • Income and expenditure – *mandatory over £200k for 3 years* • Receipts and payments	Y	Receipts & payment.	x		
93	Bank statement opening and closing balances reconcile to cash book / ledger.	Y		x		
94	Robust audit trail evident	Y	Tying invoices and payments back to the approval minute reference would build a stronger audit trail. Also chasing down issues getting (correct) invoices from specific suppliers.		x	
95	Debtors and Creditors recorded (I&E accounting method only)	N/A	Receipts & Payments basis	x		

96	Asset register updated for current and previous year balances	Y	£8028 difference from last year but asset register does not show new and disposed assets. For example, explanation of variances identifies £61385.50 new play equipment and £5276.13 new benches, boards and duck house. These are not identified as new on the asset register. Clerk confirmed there were no disposals. See comments and recommendation on item 48.		x	
97	Borrowing – ensure appropriate DMO approval in place and full year accounting is accurate and checked against balance at 31st March on DMO website. *(TPG5.70)* *Arrangement fees are treated as administrative expenses in year of receipt.*	Y	October 2024 minutes agreed to purchase land and apply for £60,000 PWLB loan. Clerk confirmed that they are still waiting for PWLB borrowing approval.	x		
98	Lending *-check if any lending has taken place and is accounted for.*	N/A				
99	Explanation of Variances completed	Y	Typo – on explanation mentions 24/24 not 24/25. Also references 23-25 rather than 23/24. Not sure the explanation adds up. New assets as identified in explanation of variances have not been clearly identified as new in the asset list. **Recommendation:** Explanation of variances is double-checked for accuracy prior to submission to external auditor.		x	
99	Intermediate audit recommendations implemented	Y	No intermediate internal audit requested/held.		x	

100	Annual Accounting Statement rounding applied/adds up	Y		x		
101	Trust Funds – ensure account filing responsibilities are up to date and not included in AGAR figures	N/A				
102	Previous year 'Restatements' correctly identified	N/A				
103	Auditor's recommendations for completion of the Annual Governance Statement *(if applicable)* and narrative report needed to explain IA Annual Statement's 'No' entries.	Y	The council signed off its AGAR (30/06/25) before the internal audit was complete. I do not believe it should have answered 'yes' to Governance Statement 6 ("we maintained throughout the year an adequate and effective system of internal audit of the accounting records and internal controls"). The internal audit was only commissioned in late June and therefore has not taken place 'throughout the year'.		x	

Appendix: Additional Areas for Audit (Council Specific)

	Allotments	**Tested?**	**Comments & Recommendations**	**Risk**		
				Low	**Med**	**High**
A1	Income for allotment rentals balance	N/A				
A2	Fees charged in accordance with approved rates					
A3	Up to date occupancy details kept and securely retained					
A4	Agreements/licences issued to all plot holders					
A5	Other					

	Burials	**Tested?**	**Comments & Recommendations**	**Risk**		
				Low	**Med**	**High**
B1	Cemetery accounts balance					
B2	Fees charged in accordance with approved rates					
B3	All interred ashes have certificates of cremation*					
B4	Permits properly documented and stored*					
B5	Cemetery regulations adopted and up to date					
B6	Registers of burials and purchased graves completed correctly and stored safely*					
B7	Burial certificates issued correctly					

B8	Green slips returned appropriately to Registrar					
B9	Legible cemetery burial plan up to date* • backed up if appropriate					
B10	Business rates exemptions correctly applied					

	Charities	**Tested?**	**Comments & Recommendations**	**Risk**		
				Low	**Med**	**High**
C1	Accounted for separately					
C2	Independently audited*					
C3	Returns filed within legal time limits*					

	Buildings and premises	**Tested?**	**Comments & Recommendations**	**Risk**		
				Low	**Med**	**High**
Note	*Premises licence. Fire checks, electrical checks, First Aid, Insurance valuations, PRS, Water checks, Fire alarms, COSHH, gas inspections,* *Employer liability and PLI, Fidelity. DEC certificate* *Use HSE checklist or similar* *https://www.hse.gov.uk/voluntary/work-types/village-and-community-halls.htm* *Is the ownership /lease title registered with Land Registry?*	Y	DPC own the land but not the building. Village Hall committee run the building. DPC would pay for new roof. VH & bowls club: Fire alarms checked 6 monthly. Fire extinguishers checked. Fire Risk Assessment last done 2023 - report couldn't be evidenced. Committee does legionella checks. External cleaner. Not clear who arranges EICR (building electrical checks). **Recommendation**: It was not really clear from the clerk what level of responsibility DPC have for the Village Hall, and therefore not clear which checks/H&S		x	

			matters fall to them or the Village Hall committee.			
Cb1						
Cb2						
Cb3						

	Markets	**Tested?**	**Comments & Recommendations**	**Risk**		
				Low	**Med**	**High**
M1	Income for stall hire balances	N/A				
M2	Fees charged in accordance with approved rates					
M3	Up to date occupancy details kept and securely retained					
M4	Statutory records kept / stored safely					
M5	Agreements/licences issued to all stall holders					
M6	Other					

	Other	**Tested?**	**Comments & Recommendations**	**Risk**		
				Low	**Med**	**High**
O1						
O2						
O3						

Endnotes

High and medium risk items may lead to the internal auditor stating that the Council does not comply with one or more assertions on the AGAR form at the end of the financial year.

[i] **High risk** – these items should be dealt with as a **high priority** because they may affect one or more of the following – statutory and must be done, high financial risk which could reveal the council to losses, not compliant with Proper Practices in the Practitioners' Guide, high risk of reputational damage, failure to comply may lead to penalties, prosecution or legal action.
Medium risk – these items need to be improved to meet one or more of the following - statutory requirements, support internal control, reduce the risk of financial loss and reputational damage, improve governance, improve compliance with proper practices in the Practitioners' Guide, and to improve procedures that should be in place.
Low risk – these items are usually **best practice** to improve governance, internal control, transparency, efficiency and effectiveness.

*-Asterisked items are statutory requirements and should be in place where applicable.