

Miss Ann C Wood LL.B. Hons, DMS, Cert.HE
134 Witham Road,
Black Notley,
Essex CM77 8LN
Tel - 07939 209180 e-mail - ann@letchwood.co.uk

Internal Audit Report for Clavering Parish Council

I am pleased to report that I have completed my Internal Audit for the Parish Council for the period 1st April 2024 to 31st March 2025. The Audit was carried out on 16th May 2025.

Members should be aware that my work cannot be relied upon to identify the occasional omission or insignificant error, nor to disclose breaches of trust or statute, neglect or fraud which may have taken place and which are the responsibility of the Members of the Council to guard against.

Members will be pleased to know that I did not find anything in my audit to report and that I found the record keeping to be of a very good standard.

I would like to record my appreciation to the Clerk of the Council, Lynette Young and Cllr Stephanie Gill for their assistance during the Internal Audit.

Ann C Wood

Ann C. Wood LL.B.Hons, DMS, Cert.HE.
26th May 2025

Items Raised by the 2023/2024 Audit

1. The Council is not registered with the ICO but the matter is being reviewed. This was a recommendation made last year and the Council should take action as soon as possible
The Parish Council registered with the ICO on 18th February 2025
2. The Annual Parish Council meeting was held on 15th May 2023 and the first item 1 was not the election of the Chairman. It should also be noted that the Vice Chairman does not sign a Declaration of Acceptance of Office
Noted
3. The AGAR was completed but figure in Box 9 did not appear to be the same as that recorded on the Asset Register. The asset value listed in the Asset Register should be the same as that recorded on the AGAR. The values used should not be those of the insurance. It should be noted that there should be no variation in Box 9 of the AGAR, unless assets have been bought or disposed of

Noted

Items Raised by the 2024/2025 Audit

No matters to raise

GENERAL			
Electorate	1323		
General Power of Competence	Does the Council have the General Power of Competence? And when was it adopted?	No	The Council operates under the LGA s137
LCAS	Has the Council attained any of the LCAS levels?	No	
Civility & Respect	Is the Council a Civility and Respect Pledge Council?	Yes	
ICO Registration	Data Protection Registration Number – ZB867649	Yes	Registered on 18 th February 2025. Expires on 17 th February 2026
VAT Registration	Is the Council registered for VAT?	No	A VAT claim is made twice a year
Transparency Code	Is the Council a smaller authority?	No	
Committees	Does the Council have committees and if so, are there terms of reference?	Yes	Employment Committee
Sole Trustee	Is the Council a sole trustee of any charity?	No	However, the Council is the Custodian Trustee of the Jubilee Field (EX738844) and the Village Hall (EX738829)

Accounting Basis	Receipts and Payments		
Bank Accounts	Natwest Business – Current Account 67217796		£22211.43
	Natwest Business - Bonus 16513215		£120.27
	Natwest Business Current Clerks A/C - 16667816		£286.30
	Saffron Building Society Investments		£31145.25

Petty Cash	Not Applicable		
Income			Precept - £30576.00 This agrees to the figure published by PKF Littlejohn
			Other Income - £11923.16 This includes interest, NHP Grant, VAT refund, training bursary, wayleaves and other income
Reserves	Are the general reserves reasonable for the activities of the Council?	Yes	The General Reserves at £19760.29 are within the PKF Littlejohn recommended levels of 50%-100% of precept
	Are earmarked reserves identified?	Yes	£28270.66 in 10 separate headings

Internal Control	Testing		Comments
Proper bookkeeping	• Is the cashbook maintained and up to date?	Yes	The Council uses the Scribe accounts package (and an Excel spreadsheet during this year) to manage the accounts and the cashbook is kept up to date The bank balances are noted at each meeting and there is a quarterly financial report which has a comparison of spending to budget
	• Is the cashbook arithmetic correct?	Yes	
	• Is the cashbook regularly balanced?	Yes	

Standing Orders and Financial Regulations	Has the Council formally adopted standing orders and financial regulations?	Yes	The Standing Orders were reviewed and adopted at item 33.1 on 13 th May 2024 The Financial Regulations were reviewed and adopted at item 96.4 on 16 th July 2024
---	---	-----	---

Biodiversity Policy	Has the Council adopted a Biodiversity Policy?	Yes	
Other Policies	Has the Council formally adopted other policies?	Yes	A list of policies is available on the website

Payments Controls	Have items or services above the de minimus amount been competitively purchased?	N/A	Two sample expenditures from June 2023 and December 2023 were checked and found to be correct to the vouchers, the bank statement and the minutes A claim was made and the refund made in January 2025
	Are payments in the cashbook supported by invoices, authorised and minuted?	Yes	
	Has VAT on payments been identified, recorded and reclaimed?	Yes	
	Is s137 expenditure separately recorded and within statutory limits?	Yes	
	Tenders exceeding the £30,000 threshold have been advertised on the Contract Finders website	N/A	

Risk management arrangements	Does a review of the minutes identify any unusual financial activity?	No	The minutes of the Council meetings for the year 2024/2025 were read and no unusual financial activity was noted.
	Do the minutes record the council carrying out an annual risk assessment?	Yes	A financial/reputational risk assessment was carried out during the year and minuted at item 281 on 10 th February 2025
	Is insurance cover appropriate and adequate?	Yes	The Council is insured with Hiscox through Gallagher Brokers Policy Number – 9658071 Employers Liability and Public Liability are both £10 million Fidelity Cover = recommended guidelines of year end balances + 50% of the precept

	Are internal financial controls documented and regularly reviewed?	Yes	
	Has the council adopted a Code of Conduct?	Yes	The Council has reviewed and adopted the LGA/Uttlesford District Council Code of Conduct on 13 th May 2024 at item 33.3
	Has the Council adopted a Data Protection Policy, a Privacy Notice and Publication Scheme?	Yes	
	Was the Annual Parish Council Meeting held within the prescribed timeframe?	Yes	The Parish Council must meet annually. In an election year, this must be on the day when the councillors take office or within 14 days, or on any day in May in any other year. The meeting was held on 13 th May 2024 and the first item 25.1 was the election of the Chairman
	Was the Annual Parish Meeting held within the prescribed timeframe?	Yes	A Parish Meeting must be held annually between 1 st March and 1 st June (both inclusive). The Annual Assembly took place on 20 th May 2024

Budgetary Controls	Has the council prepared an annual budget in support of its precept?	Yes	A budget was agreed at item 192a on 8 th January 2024 and a copy of the budget papers has been seen. The Precept was agreed on the same date at item 192b
	Is actual expenditure against the budget regularly reported to the council?	Yes	The receipts and payments are presented to the Council and minuted monthly and a comparison of expenditure to budget is produced quarterly
	Are there any significant unexplained variances from budget?	No	Any variances in budget are explained in the Annual Accounts

Income Controls	Is income properly recorded and promptly banked?	Yes	The income is currently recorded on Scribe (and for this year on the Excel spreadsheet). Most income received is by BACS or bank transfer but
-----------------	--	-----	---

	Does the precept recorded agree to the Council Tax authority's notification?	Yes	the small number of payments that aren't, are promptly banked The recorded Precept agrees to the Council Tax Authority's notification
	Are security controls over cash and near-cash adequate and effective?	Yes	
	Does the Council Review its fees on a regular basis?	Yes	Allotment rents are reviewed annually

Petty cash procedures	The Council does not operate a petty cash system	N/A	The Council has a Clerk's bank account with a debit card
-----------------------	--	-----	--

Payroll Controls	Has a Responsible Financial Officer been appointed with specific duties?	Yes	The Clerk's contract is dated 2 nd April 2024 and contains specific reference to the appointment as the RFO
	Do all employees have contracts of employment with clear terms and conditions?	N/A	The Clerk is the only employee. The Clerk is paid a Home Office Allowance and mileage
	Do salaries paid agree with those approved by the Council?	Yes	The Council pays the NJC Pay Scales
	Are other payments to employees reasonable and approved by the Council?	Yes	The payroll is undertaken by D M Payroll who submit information by RTI and regular payments are made by the Council to HMRC
	Has PAYE/NIC been properly operated by the Council as an employer including the issue of P60s?	Yes	Regular payments are made to HMRC
	Does the Council pay the Parish Basic Allowance?	No	
	Employer's Reference – 083/BZ45955		
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?	Yes	Asset Register was agreed at item 315.6 on 10 th March 2025, which considered the Register for the 2023/2024 year. The asset value listed in the Asset Register is the same as that recorded on the AGAR The values used should not be those of the insurance. It should be noted that there should be no variation in Box 9 of the AGAR, unless assets have been bought or disposed of
--	--	-----	---

Bank Reconciliation	Is there a bank reconciliation for each account?	Yes	
	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	Accounts are prepared on a Receipts and Payments basis, as the Council is below the £200,000.00 threshold
	Do the accounts agree with the cashbook?	Yes	
	Is there an audit trail from underlying financial records to the accounts?	Yes	Two sample expenditures from June 2023 and December 2023 were checked and found to be correct
	Where appropriate, have debtors and creditors been properly recorded?	N/A	
	Were the Annual Accounts, the Annual Governance Statement and Annual Accounts and Accounting Statement signed by the Council?	Yes	The AGAR for the Year End 31 st March 2025 was completed and signed and had been presented to Council
	Is there a Certificate of Exemption?	N/A	

	Has the Council published five years of the Annual Return (AGAR) on its website under The Accounts & Audit Regulations 2015?	Yes	
	Has the Council published the Notice of the period for the exercise of public rights under The Accounts & Audit Regulations 2015 on its website?	Yes	The dates for the period were 28 th June 2024 to 8 th August 2024

Auditor's Reports	Was the Internal Auditor's Report reported to the Council?	Yes	The Internal Auditor's Report was reported to the Council at item 96.2 on 16 th July 2024
	Was the External Auditor's Report reported to the Council?	N/A	The Internal Auditor for 2024/2025 was appointed on 11 th November 2024 at item 207.8 The Council was exempt and not subject to an External Auditor's Report

Loans	Were any loans made to volunteer bodies during the year?	No	
	Are there any PWLB Loans outstanding?	No	

Co-option	The co-option of members should appear on an agenda as a separate item for the Council to action	Yes	The Council has co-options as agenda items and they are minuted as such
Grants	Does the Council make any grants to the church?	No	