

INTERNAL AUDIT SERVICE FOR DEWLISH PARISH COUNCIL

Audit Programme – Financial Year 2024-25

I certify that I have carried out the tests detailed below in accordance with the suggested approach contained in the JPAG/SAAA Practitioners Guide, published April 2024. To carry out the audit below I have also reviewed the minutes of the Parish Council and its committees to gauge the effectiveness of the authority's overall controls and decision-making processes.

AGAR Certificate Reference	Tests	Test complete	Comments
<p>A: Appropriate accounting records have been kept throughout the year</p> <p>I: Periodic bank reconciliations were properly carried out during the year.</p>	Ensure that the carried forward balance from the prior year cash book balances to the new financial year	Yes	The carried forward balance has been checked against the bank statements and is correct this includes 3 payments due in 23-24 but not paid until 24-25 due to Easter falling across the end of the financial year.
	Check a sample of the financial transactions in the cashbooks, to the bank statements and that S137 limits are adhered to.	Yes	<p>1 payment of £383.55 has been listed as S137 which relates to D-day celebrations. The S137 limit is £10.81 per elector so this is within the required limit.</p> <p>A sample of invoices were checked against the cashbook and were correct</p>
	Ensure that the bank reconciliations are prepared regularly and subject to independent scrutiny and sign-off by Council members		Reconciliations are presented to each council meetings. This can be seen in the Feb minutes ref: 24.148
	Verify the accuracy of the year-end bank reconciliation and ensure the correct amount is listed on the AGAR report	Yes	The year end bank reconciliation is correct and includes one DD payment for 24-25 (bank charges) which was not taken until after the end of the year
	If the authority has bank balances more than £100,000 that it has an appropriate investment strategy	Yes	The Council does not have a balance above £100,000
<p>B: The authority complied with its risk regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for</p>	Review the procedures in place for acquisition of formal tenders and quotes ensuring they are in line with the Standing Orders and Financial Regulations.	Yes	<p>The Standing orders and Financial Regs were both considered and agreed by the Council in April 24. See Min ref: 24.025. New Model Standing Orders and Financial Regs were considered and adopted in Sept 2024 (Min Ref: 24.078 / 24.079. However, the copies on the website still refer to 2019.</p> <p><u>Recommendation 1:</u> That the agreed copies are uploaded to the website. (This was also a recommendation in 2023-24)</p>
	Ensure that consistent values are in place for the acquisition of formal tenders between the Standing Orders and Financial Regulations	Yes	The documents on the website agree, however they have since been reviewed so this needs to be revisited once the agreed versions are on the website – See recommendation 1 above.

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	Review the procedure for receipt of invoices, agreement of invoice detail and confirmation of goods/services delivery and approval for payment.	Yes	This is documented in the Financial Regulations and all payments approved are include in the minutes.
	Check that there is effective segregation between the writing of cheques or setting up of online payments and the physical release of the payments.	Yes	The Council did issue one cheque this year. The Clerk writes them out and they are counter signed by Councillors. The majority of payments were made by BACS. Again, this requires the Clerk to set the payments up and two Councillors to authorise them.
	Ensure that all cheques dated within the year are listed in the cashbook, whether cashed or not at the year end.	Yes	The last cheque written was in April 2024 and this has been cashed.
	Check all the invoices which have a VATABLE supply to ensure that VAT has been identified and noted correctly in the Cashbook	Yes	All the supplies with VAT included have been checked and agreed with the invoices.
	Check that the VAT reclaims are prepared and submitted in a timely manner in line with underlying records and in accordance with HMRC requirements	Yes	A VAT claim was submitted for April 23 – Feb 25, however at the 31 st March 2025 the refund of £365.19 had not been received.
	Where debit/credit cards are in use, ensure the appropriate controls over physical security and usage of the cards are in place.	Yes	No debit cards are used at this time.
C: The authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these	Ensure that authorities have prepared and formally adopted, at least once annually, an appropriate and comprehensive register of assessed risks, both regular and ad hoc	Yes	The Financial risk assessment online is dated 2017 and is headed <i>Sydling St Nicholas</i> . <u>Recommendation 2:</u> That the correct Risk Assessment is uploaded to the website
	Ensure that appropriate levels of insurance cover are in place for land, building, public, employers, and hirers (where applicable) liability, fidelity, employees, business interruption and cyber security	Yes	The amounts insured are equal to those on the asset register. <u>Recommendation 3:</u> That the insured amounts are reviewed to ensure that they are relevant to any replacement values rather than the asset register values which are based on purchase price.

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	Ensure that appropriate arrangements are in place for monitoring play areas, open spaces and sports pitches: such reviews should be undertaken by appropriately qualified external inspectors or, if by officer or members that they have received the appropriate training and accreditation.	Yes	<p>The Council does not have any play areas but is responsible for a village green. The Village Green is not showing on the Asset register as belonging to the Parish Council.</p> <p><u>Recommendation 4:</u> That the Village Green is added to the asset register, if the Parish Council owns it. If not then there should be an agreement in place to show why the Parish Council is paying for the maintenance.</p> <p>There is no play equipment requiring specialist surveys.</p>
	Ensure that the internal and external audit reports are noted in the minutes including any recommendations and the associated remedial action to be taken.	Yes	<p>The internal audit report was considered at the August Meeting Min ref: 24.054.</p> <p>Recommendations were considered and noted with actions noted. These are available on the internet</p> <p>No External Audit was required as the Council claimed an exemption</p>
D: The Precept or rates requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored and Reserves are appropriate	Ensure that the full authority, not a committee, has considered, approved and adopted that annual budget in accordance with the required parent authority timetable.	Yes	<p>The Budget for 25/26 was discussed and agreed at the November Meeting. Min ref (24.113).</p> <p>The Precept was set at £6300 for 2025-26 and submitted within the deadline.</p>
	Ensure that budget reports are prepared and submitted to Authority/Committees periodically during the year with appropriate commentary on any significant variances (+/- 10%)	Yes	<p>Reconciliation against budget are given to Members at each meeting are minuted. See November meeting (min ref: 24.112</p>
	Ensure that the Authority has considered the establishment of specific earmarked reserves and ideally reviews them annually as part of the budget assessment process.	Yes	<p>Earmarked reserves are clearly listed in the budget documents on the Agenda for the Nov meeting.</p> <p>There was a discussion of a transfer of reserves detailed at Item 7 (24.149) in the February 2025 minutes with a view to further discussion in March.</p> <p>Item 8 (24.171) in the March 2025 Minutes it is agreed that 2 underspends are transferred to the general reserve</p>

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	Ensure that any Community Infrastructure Levy monies that have been received have been ringfenced and allocated appropriately. As all CIL monies received need to be used within a 5-year time frame a schedule of projects to which each set of CIL received have been allocated, with timescales should be in place	Yes	CIL funds are showing in the Earmarked reserves as £2390.01. However, the Dorset Council website shows that Dewlish has received a total of £3258.51 between Dec 17 and Oct 24. A clear list of all CIL income and expenditure from Dec 17 should be available on the website – even if the remaining balance is £0. <u>Recommendation 5:</u> That a CIL report is created and uploaded onto the website to show which applications the Levy funds have been received from, where they have been spent and against which receipt of funds. The report should also show the receipt and deadline date for the funds to be spent
	Ensure that the precept in the accounts matches the submission form to the relevant authority and the public record of the precepted amount in the minutes.	Yes	The precept of £6125.00 was received in two payments of £2063.50 as expected.
E: Expected income was fully received based on correct prices, properly recorded and promptly banked (e.g.: within 7 days). VAT was appropriately accounted for	Review Aged Debtor listings to ensure appropriate follow up action is in place	N/A	The Council operates a receipts and payment accounting system so does not have a debtors list.
	Allotments (if applicable) ensure that appropriate signed tenancy agreements exist, that a register if tenants is maintained showing that debtors are monitored.	N/A	The Council does not have allotments
	Burials (if applicable) ensure that a formal burial register is maintained and that this is up to date and that a sample of internments are memorials are appropriately evidenced that fees have been charged at the correct approved rate and recovered within a reasonable time.	N/A	The Council does not have a burial ground.
	Hall Hire (if applicable) ensure that an effective diary system for bookings in place identifying the hirer, hire times, and ideally cross-reference to invoices raised.	N/A	The Council does not operate a hall.
	Leases: Ensure that leases are reviewed in a timely manner in accordance with the terms of the lease and rents reviewed appropriately at the due time	N/A	No leases in place. (unless the Council leases the village green – see recommendation 4)
	Other variable income streams: ensure that appropriate control procedures and documentation are in existence to provide a clear audit trail through to invoicing and recovery of income	N/A	The Council has no other incomes streams other than the precept and bank interest on the savings account.

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	Where amounts are receivable on set dates during the year, ensure that an appropriate control record is maintained identifying the date(s) on which income is due and that it is showing as actually received on the bank statements of within the Petty Cash system.	Yes	The precept was received as expected and there are no other regular payments.
F: Petty Cash payments were properly supported by receipts; all Petty cash expenditure was approved and VAT appropriately accounted for	Review the systems in place for controlling any petty cash and cash floats	N/A	No petty cash is held
	Check a sample of transactions during the financial year to ensure appropriate supporting documentation is held	N/A	No petty cash is held
	Review the existence of evidenced periodic independent verification of the petty cash and any other cash floats held.	N/A	No petty cash is held
	Ensure that VAT is identified whenever incurred and appropriate	N/A	No petty cash is held
	Physically check the petty cash and other cash floats held	N/A	No petty cash is held
	Where bar or catering facilities are in place ensure that appropriate cashing up procedures are in place reconciling the physical cash takings to the till Z total readings	N/A	No petty cash is held
G: Salaries to employees and allowances to members were in accordance with the authority's approvals and PAYE and NI requirements were properly applied	Ensure that for ALL staff a formal employment contract is in place together with a confirmatory letter setting out any changes to the contract.	Yes	The Clerk has a contract in place. However, since the contract was agreed the Clerks hours have been increased to for 15 hours and the SCP rate to 12. The national pay award was agreed in Nov Min ref: 24.110. Recommendation 6: That the Clerks contract is updated to reflect the new hours and SCP rate.
	Ensure that appropriate procedures are in place for the payment of members allowances and deduction of any tax liability	Yes	No members allowances are paid at this time.
	Ensure that for a sample of staff salaries, gross pay due is calculated in accordance with the approved spinal point on the NJC scale or hourly rate and matches with the contracted hours	Yes	The Clerk is paid correctly as per the hourly rate and SCP listed above
	Ensure that the appropriate tax codes are being applied to each employee	Yes	The Clerk has a Basic Rate (BR) tax code which shows they have income from elsewhere.

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	Where free or paid for software is used, ensure that it is up to date	Yes	The HMRC RTI software is being used.
	For a test sample of employees ensure that the tax is calculated properly	Yes	The BR tax rate is calculated correctly.
	Check the correct treatment of Pension contributions	Yes	The Clerk is below the auto enrolment threshold so no Pension is deducted
	For NI ensure that the correct deduction and employer's contributions are applied	Yes	The Clerk is below the NI threshold so no contributions are made
	Ensure that the correct employers' pensions percentage contribution is being applied	N/A	See above
	Ensure that for the test sample, the correct net pay is paid to the employee with tax NI and pension contributions correctly paid to the respective agencies	Yes	HMRC are paid the Tax deducted from the Clerk on a regular basis.
H: Asset and Investment registers were complete, accurate and properly maintained	Tangible Fixed Assets		
	Ensure that the Authority is maintaining a formal asset register and updating it routinely to record new assets at historic cost price, net of VAT and removing any disposed of /no longer serviceable assets	Yes	Yes. This was agreed and confirmed in the May 2024 minutes (Min ref 24.026) Recommendation 7: That the Asset Register is published on the website.
	Physically verifying the existence and condition of high value, high risk assets may be appropriate	N/A	It is not cost effective for the Internal auditor to visit the Parish to carry out this work. Therefore, the Parish Council should ensure that the assets on the register still exist and are valued correctly.
	Ideally the register should identify for each asset the purchase cost and if practicable, the replacement / insured cost, the latter being updated annually and used to asset in forward planning for asset replacement	Yes	The purchase costs are listed but not the replacement values. See Recommendation 3 regarding insurance values
	Additions and disposals records should allow tracking from the prior year to current	Yes	The addition of a new laptop in Aug 24 is shown. If any disposals are made then and extra column should be added to give that date, but the asset not removed.
	Ensure that the asset value to be reported in the AGAR equates to the prior year reported value, adjusted for new acquisitions and disposals.	Yes	The addition of the laptop is the difference between the 23-24 figure and the 24-25 figure
	Compare the asset register with the insurance schedule to ensure that all assets as recorded are appropriately insured	Yes	See recommendation 3 above

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	Fixed Asset investments		
	Ensure that all long-term investments (i.e.: those longer than 12 months terms) are covered by an investment strategy and reported as assets on the AGAR	N/A	The Council has no long-term investments.
	Borrowing and Lending		
	Ensure that the authority has sought and obtained appropriate DMO approval for all loans acquired	N/A	The Council has no loans
	Ensure that the authority has accounted for the loan appropriately (i.e.: arrangement fees are regarded as administration expenses in the year of receipt)	N/A	The Council has no loans
	Ensure that the combined principal loan repayment and interest for the year is correctly recorded in the AGAR	N/A	The Council has no loans
	Ensure that the outstanding loan liability as at 31 st March each year is correctly recorded in the AGAR and verified via the DMO website	N/A	The Council has no loans
	Where the authority has issued loans to local bodies, they should ideally seek signed indemnities from the recipient body or their members agreeing to underwrite the loan debt	N/A	The Council has no loans
J: Accounting statements prepared during the year	Ensure that, where the annual turnover exceeds £200,000 appropriate records are maintained throughout the year on an Income and Expenditure basis to facilitate budget reporting	N/A	The Council turnover does not exceed £200,000
	Ensure that appropriate accounting arrangements are in place to account for debtors and creditor during the year and at the financial year-end	Yes	Receipts and Payments accounts are operated which is appropriate for the level of activity

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K: If the authority has certified itself as exempt from a limited assurance review in the prior year, it met the exemption criteria and correctly declared itself exempt	The correct exemption certificate was prepared and minuted in accordance with the statutory submission deadline	Yes	The Certificate was agreed at the May meeting Min ref: 24.031
	That it has been published together with all the required information on the Authority's website and noticeboard	Yes	The certificate is available to view on the website.
<p>L: The authority publishes information on a website/webpage and complies with the relevant Transparency Code.</p> <p><u>NOTE:</u> <u>Although Councils over £25,000 do not have to comply with the Transparency Code it is good practice to ensure that this information is in the public domain. We test this to help inform your communication with your community.</u></p>	<p>FOR COUNCILS COVERED BY THE UNDER £25,000 EXTERNAL AUDIT EXEMPTION: A review of the Authority's website shows that all the required documentation is published in accordance with the Transparency code:</p> <p>A list of all expenditure of £100</p> <p>End of year Accounts</p> <p>Annual Governance Statement (by 30th Sept)</p> <p>Detailed Internal Audit Report (for previous year)</p> <p>List of Councillors and responsibilities</p> <p>Details of public land and buildings</p> <p>Minutes, Agendas and meeting papers of formal meetings and committees.</p>	Yes	<p>Audit information is available on a separate tab on the Council website.</p> <p>The accounts are available which show all transactions. The minutes also detail all payments made.</p> <p>The Annual Governance Statement is available.</p> <p>The internal audit report, List of Councillors, Minutes and agendas are all available.</p>

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	<p>FOR COUNCILS OVER THE £25,000 EXEMPTION LIMIT: A review of the Authority's website shows that:</p> <ul style="list-style-type: none"> • A list of all expenditure of £500 • End of year Accounts • Annual Governance Statement (by 30th Sept) • Detailed Internal Audit Report (for previous year) • External Audit report and certificate (for previous year) • List of Councillors and responsibilities • Details of public land and buildings • Details of goods and services open to tender quotes. 	N/A	The Council did not breach the £25,000 limit
M: The authority has, during the previous year correctly provided during the period for the exercise of public rights as required by the Accounts and Audit regulations	Check that the require 'Public Notice' has been created and clearly stated that there is a 30-working day period when the Authority's records are available for public inspection	Yes	The notice was created and is available online. The notice period was 14/6/24 – 25/7/24. Which includes the first wee of July as required,
	Check that the Council has minuted the relevant dates of this period at the same time as approving the AGAR	Yes	<p>The Council did not minute the Public Rights dates at the same time as approving the AGAR which was done in May 25.</p> <p>Recommendation 8: That the dates for the Public Rights Period are minuted at the same time as the agreement of the AGAR.</p>
N: The authority complied with the publication requirements for the prior year AGAR	Ensure that the statutory disclosure/publication requirements in relation to the prior year's AGAR have been met as detailed on the front page of the current years AGAR	Yes	All the required documents were published on the website and the requirements met.
O: Trust funds (including charitable) – the Council has met its responsibilities as a trustee	Confirm that all charities of which the council is a Trustee are up to date with CC filing requirements	N/A	The Council is not a Trustee
	That the Council is the sole trustee on the Charity Commission register	N/A	The Council is not a Trustee
	That the Council is acting in accordance with the Trust deed	N/A	The Council is not a Trustee

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	That the Charity meetings and account are recorded separately from those of the council	N/A	The Council is not a Trustee
	Review the level and activity of the charity and where a risk-based approach suggests such, review the independent Examiners report	N/A	The Council is not a Trustee

Report compiled by:

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Date: