



Kempley PARISH/TOWN COUNCIL
Internal auditor's report for the year ended 31 March 2025
Name of Auditor: Gill Jennings

GAPTC internal audits comply with the proper practices outlined in the Governance & Accountability for Smaller Authorities – A Practitioners' Guide and the Accounts and Audit Regulations 2015.

The GAPTC internal audit reviews and reports on whether the systems of financial and other internal controls over its activities and operating procedures are effective. The audit tests a variety of documents, including agendas and minutes, policies, insurance and risk management processes, to ensure Council meets the requirements set out in the Annual Internal Audit Report in the Annual Governance & Accountability Return. The internal audit does not involve the detailed inspection of all records and transactions of an authority in order to detect error or fraud.

Our auditors are independent of the Council and are competent to be able to carry out the requirements of the internal audit service.

NOTE The auditor will complete the Annual Internal Audit Report (AIAR) page on the Annual Governance & Accountability Return (AGAR). The AIAR informs the Annual Governance Statement (AGS) assertions on the AGAR, so when council reviews the AGS, the responses must reflect the AIAR report.

1. Governance and Policies

Ref	Test	Yes, No or N/A	Evidence	Internal Auditor's comments/recommendations	Has Council complied with relevant AGS assertion? Yes/No
1	Have Financial Regulations been a) tailored to	Yes	170325 149 Minutes	The Financial Regs assert that "The RFO may use their own credit or debit card or cash up to a maximum of £100 for council	Assertion 1 Yes

	council? b) reviewed using the most recent version? c) minuted? (Objective B)	2025 version not used as this was not available Yes		business and will be refunded by way of a cheque duly authorised." The Council should consider a business debit card with a spending limit rather than use of a personal card.	
2	Have Standing Orders been a) tailored to council? b) reviewed using the most recent version? c) minuted?		170325 148 Minutes	Financial Regs & Standing Orders to be checked against latest 2025 version. Even if the Council's expenditure is usually below the limits of procurement rules it helps to keep these in the regulations. The Council has recently authorised 2 councillors to make online payments so an amendment should be made in the Financial Regs to this effect.	Assertion 1 Yes
3	Code of conduct reviewed in the last 2/3 years?		18.03.24 192 Minutes		Assertion 3 Yes

2. Finance and Accounting

Ref	Test	Yes, No or N/A	Evidence	Internal Auditor's comments/recommendations	Has Council complied with relevant AGS assertion? Yes/No
4	Bank reconciliations are considered by Council? (Objective I)	Yes	Signed copies of Scribe bank reconciliations seen. Council minutes state bank reconciliation is agreed.	It would be good to note the bank balance in the minutes as a record of what has been agreed	Assertion 2 Yes
5	VAT claims have been submitted and	Yes		Previous year's return submitted – RFO to ensure return sent for 24-25.	Assertion 1 Yes

	are up to date (objective E)				
6	S137 a) is there a separate account for payments? b) are totals within statutory limits? (objective A)	Yes Yes	2024/25 limit £2,713.31		Assertions 1&3 Yes
7	Is there an annual council authorisation of Direct Debit list and Standing Orders? (Objective B)	No		Standing Orders are evident and should be reviewed	Assertion 2 No
8	Cashbook provided and random sample checked. Give details at Annex A.				Assertion 2 Yes
9	Internal controls a) policy in place? b) evidence checks took place as per Council's Fin Regs/Standing Orders (Objective B)	No No		Council need to consider how to provide proof that at least 2 councillors have made random checks of the RFO's paperwork and write up a checklist i.e. Vat return checked Bank reconciliation checked Sample invoices checked against payments made Bank mandate reviewed Keep the signed checklist for next audit	Assertion 2 No
10	Was budget for 24-25 a) prepared?	Yes	Minutes state: After discussion, council resolved to approve a 2024 precept of £6,652. This will		Assertion 1 Yes

	b) adopted by Full Council? c) Were the earmarked reserves identified? d) Were the general reserves reasonable? e) Was precept calculated and approved? (Objective D)	Yes Yes Yes Yes	increase Band D council tax by £2.75 per annum (6.04%). Council discussed the general reserve and were advised by the Clerk that it was on the low side. The Council earmarked use of a Grant		
11	Were end of year accounting statements a)prepared? b)match cashbook? c)supported by report?	a) Yes b)not seen for published year c) Yes	20.05.24 18		Assertion 6 Yes
12	Did the council periodically compare budget vs spend (as detailed in the FRs)? (Objective D)	Yes	Minuted 09.09.24 18.11.24 13.01.25 17.03.25 and budget report published on the website and copy report signed		Assertion 1 Yes
13	Was Petty Cash expenditure	N/A			Assertion1 n/a

	a) Approved? b) supported by receipts? c) VAT accounted for? (Objective F)				
14	Was Insurance policy reviewed to ensure still fit for purpose? (Objective C)	Yes	Acceptance minuted 15.07.24 53 Policy seen	Council could consider whether all cover is relevant	Assertion 5 Yes
	<i>Note Councils have not been asked to submit any information on burials. Auditor to check sample if appropriate.</i>	n/a			

3. Payroll and Employment

Ref	Test	Yes, No or N/A	Evidence	Internal Auditor's comments/recommendations	Has Council complied with relevant AGS assertion? Yes/No
15	Do all staff have a NALC contract of employment? Copy seen by auditor? <i>Note to auditor</i>	Yes	New clerk's contract seen		Assertion 3 Yes

	<i>checklist asks for 'clerical'. Use judgement if this is not appropriate</i>				
16	Has Council's PAYE / NIC been properly dealt with (including year-end procedures)? P32 seen (if relevant)? (Objective G)	Yes P32 seen			Assertion 3 Yes
16a	<i>Note to auditor. Councils not required to provide evidence but check that Council has met pension obligations</i>			Council need to consider whether they have explained "entitled workers" pension rights	Assertion 2 Yes

4. Transparency and Public Rights

Ref	Test	Yes, No or N/A	Evidence	Internal Auditor's comments/recommendations	Has Council complied with relevant AGS assertion? Yes/No
17	Are all sections of the 23/24 AGAR published on the	Yes	Accounts – Kempley Parish Council		Assertion 3 Yes

	website? (Objective L/N)				
18	Did council correctly provide for the exercise of public rights? (Objective M)	Yes	Published on website and in the minutes		Assertion 4 Yes
19	23/24 internal (and if relevant external) audit report/s reviewed by council and action taken where recommended? If relevant is exemption from external audit form on web site and correctly minuted?	09.09.24 68 Yes	Clerk has given an explanation of actions to date and those which will be addressed by Council in May 2025. (The clerk is newly appointed) Certificate and minutes seen		Assertion 7 Yes

5. Additional information – if relevant

Ref	Test	Yes, No or N/A	Evidence	Internal Auditor's comments/recommendations	Has Council complied with relevant AGS assertion? Yes/No
20	Has the General Power of Competence been	N/A			Assertion 3

	adopted?				
21	Have assets a) been inspected for risk? b) any actions undertaken and recorded? (Objective C)	Yes Yes	Asset check in May 2024	Due for review	Assertion 5 Yes
22	Is asset register a) reviewed regularly? (Objective H) b) published on website? (Objective L)	Yes Yes	200524 13		Assertion 5 Yes
23	Risk Management policy a) adopted? b) reviewed annually by Council? (Objective C)	Yes Yes	17.03.25 152		Assertion 5 Yes
24	Have items/ services been competitively purchased in accordance with Financial and/or Procurement Regulations?	Yes	Evidence in the minutes that 3 quotations were sought		Assertion 2 Yes
25	Is the Council a Managing Trustee? a) charity name b) charity number c) Copy of 23/24	No			Assertion 9 Yes

AGM minutes seen
(Objective O)

Kempley Council

Expenditure

Ref no	Amount	Date of minute where expenditure originally approved	Date of approval of payment in Minutes	Payment date	Two signatures on cheque stub/two cllr authorisers for internet banking? Invoices initialled by signatories?	VAT	Power to spend? Yes or No	S.137?	Comments
	Auditor to complete	Clerk to complete	Clerk to complete		Copy invoices required and photo copy chq stubs				Auditor to complete
	£148.80 31.12.2024 Noticeboard signs Perpetua Press	Unable to locate	18.11.24	22.11.24	Chq stub 566 attached		Yes		OK
	£32.40 31.10.2024 clerk's milage KPC Clerk	18.11.24	18.11.24	22.11.24	Chq stub 565 attached		Yes		OK
	£48.00 31.07.2024 WFH Allowance KPC Clerk	15.07.24	15.07.24	22.07.24	Chq stub 560 attached		Yes		OK
	£312.00 31.10.2024 Advert for clerk's job vacancy Tindle Newspapers W	Unable to locate in minutes Could	18.11.24	30.10.24	BACS		Yes		OK

		have been agreed over email							
	£23.22 31.03.2025 clerk's milage D HINDE CLERK	17.03.25	17.03.25	28.03.25	BACS		Yes		OK

Income

Name on invoice/name of payee <i>Auditor to complete</i>	Amount <i>Auditor to complete</i>	Banked? Bank Statement (month) <i>Clerk to complete</i>	Where is receipt minuted? <i>Yes or No</i>	Comments <i>Auditor to complete</i>
163 To note income received as follows: 28.02.25 C Muir Paid In Error 261.20		February 2025	Minuted	Bank statement checked