Herefordshire Association of Local Councils (HALC)

Internal Audit Service

INTERNAL AUDIT REPORT

Ewyas Harold Parish Council 2024/25

1. Introduction

Herefordshire Association of Local Councils (HALC) conducted the Internal Audit review for the year ending 31st March 2025

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2. 2023/24 Internal Audit recommendations?

No	Recommendation	Completed
2.1	The Parish Council ensure that it is informed of direct debit payments	
2.2	Risks must be reviewed at least once during the year.	**No**
2.3	Budget Monitoring must comply with Financial Regulations	**No**
2.4	There must be a review of reserves at least once a year.	**No**
2.5	Bank Reconciliations should be submitted and evidenced as part of the minutes.	**Yes**
2.6	Procedures should be put in place to ensure that all legal publication requirements are met	**Yes**

3. Findings of the Audit

	Scope	Observation	Pass	Rec
3.A	Appropriate accounting records have been properly kept throughout the financial year		Yes	
3.B	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.	Unable to verify a sample of October 2024 invoices as they were not included in the files presented for audit. Financial Regulations were not reviewed during the year.	No	**R.1** **R.2**
3.C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	There was no Risk Register and there was no review of risks during the year.	No	**R.3**
3.D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	A review of the Parish Council minutes showed that budget monitoring took place once during the year (minute reference (13th August 14.2) There was no review of reserves during the year	No	**R.4** **R.5**
3.E	Expected income was fully received, based on correct prices, properly recorded	Unable to verify Interest as there was bank statements missing.	No	**R.6**

	Scope	Observation	Pass	Rec
	and promptly banked; and VAT was appropriately accounted for.			
3.F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.		N/a	
3.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		Yes	
3.H	Asset and investments registers were complete and accurate and properly maintained.		Yes	
3.I	Periodic and year-end bank account reconciliations were properly carried out.		Yes	
3.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.		Yes	
3.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. *(If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")*		N/a	
3.L	The Authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with legislation		Yes	
3.M	In the year covered by this AGAR the authority		Yes	

	Scope	Observation	Pass	Rec
	correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations (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)			
3.N	The authority has complied with the publication requirements for 2023/24 AGAR		Yes	
3.O	Trust funds(including charitable) The council met its responsibility as a trustee		N/a	
3.P	Annual Return Complete		Yes	

4. Recommendations

4.1 Invoices should be made available for review.

4.2 Financial Regulations must be reviewed annually.

4.3 The Parish Council should ensure that a Risk Register is in place and that risks are reviewed at least annually.

4.4 The Parish Council should ensure that budget Monitoring takes place regularly and evidenced in Parish Council minutes.

4.5 The Parish Council should review its reserves once a year.

4.6 The Parish Council should ensure that all income received can be verified.

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5. Annual Return- Internal Control Objective

	Objective	Yes	No	Not Covered	Rec No
A	Appropriate accounting records have been properly kept throughout the financial year	√			
B	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.		√		**R.1**
C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.		√		**R.3**
D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.		√		**R.4** **R.5**
E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.		√		**R.6**

	Objective	Yes	No	Not Covered	Rec No
F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.	N/a			
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.	√			
H	Asset and investments registers were complete and accurate and properly maintained.	√			
I	Periodic and year-end bank account reconciliations were properly carried out.	√			
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.	√			
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. *(If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")*	N/a			
L	The Authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with legislation	√			
M	In the year covered by this AGAR the authority correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations (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)	√			
N	The authority has complied with the publication requirements for 2023/24 AGAR	√			
O	Trust funds (including charitable) The council met its responsibility as a trustee	N/a			

HALC Internal Audit Services
24th April 2025