Herefordshire Association of Local Councils (HALC)

Internal Audit Service

INTERNAL AUDIT REPORT

Ewyas Harold Parish Council 2025/26

1. Introduction

Herefordshire Association of Local Councils (HALC) conducted the Internal Audit review for the year ending 31st March 2026

2. 2024/25 Internal Audit recommendations?

No	Recommendation	Completed
2.1	Invoices should be made available for review.	Yes
2.2	Financial Regulations must be reviewed annually.	Yes
2.3	The Parish Council should ensure that a Risk Register is in place and that risks are reviewed at least annually.	Yes
2.4	The Parish Council should ensure that budget Monitoring takes place regularly and evidenced in Parish Council minutes.	Yes
2.5	The Parish Council should review its reserves once a year.	Yes
2.6	The Parish Council should ensure that all income received can be verified.	Yes

3. Findings of the Audit

	Scope	**Observation**	**Pass**	**Rec**
3.A	Appropriate accounting records have been properly kept throughout the financial year	Regarding the Power of Competence, it is the position at the last election.	Pass	**R.1**
3.B	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.	Payments made to J Probert totalled some £52,448.35 net under the circumstances the Parish Council should ensure that there is compliance with Financial Regulation 5.7 and IR35 rules.	Pass	**R.2**
3.C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.		Pass	
3.D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.		Pass	
3.E	Expected income was fully received, based on correct		Pass	

	Scope	Observation	Pass	Rec
	prices, properly recorded 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		Pass	
3.H	Asset and investments registers were complete and accurate and properly maintained.		Pass	
3.I	Periodic and year-end bank account reconciliations were properly carried out.		Pass	
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.		Pass	
3.K	IF the authority certified itself as exempt from a limited assurance review in 2024/25 it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2024/25 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		Pass	

	Scope	Observation	Pass	Rec
3.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 2025/26 AGAR period were public rights in relation to the 2024/25 AGAR evidenced by a notice on the website and /or authority approved minutes confirming the dates set)		Pass	
3.N	The authority has complied with the publication requirements for 2024/25 AGAR		Pass	
3O	The authority has complied with laws, regulations & proper practices relating to digital and data compliance	The Parish Council should include in its future work plan Training and the Annual Data Audit	Pass	**R.3**
3.P	Trust funds(including charitable) The council met its responsibility as a trustee		N/a	
3.Q	Accounting Statement Complete		Yes	

4. Recommendations

4.1 The Parish Council should re-minute it original minute on the matter.

4.2 The Parish Council should ensure that there is compliance with Financial Regulation 5.7 and IR35 rules.

4.3 The Parish Council should include in its future work plan Training and the Annual Data Audit.

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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.	√			
C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	√			
D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	√			

	Objective	Yes	No	Not Covered	Rec No
E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	√			
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	The authority has complied with laws, regulations & proper practices relating to digital and data compliance	√			
P	Trust funds (including charitable) The council met its responsibility as a trustee	N/a			

HALC Internal Audit Services
30-04-2026