

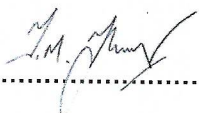
Henham Parish Council  
Internal Auditor Report  
2022-2023

Internal Control	Suggested testing
Proper bookkeeping	<ul style="list-style-type: none"> <li>• Is the cashbook maintained and up to date? <b>YES</b></li> <li>• Is the cashbook arithmetic correct? <b>YES</b></li> <li>• Is the cashbook regularly balanced? <b>YES - monthly</b></li> </ul>
a) standing orders and financial regulations adopted and applied; and b) payments controls	<ul style="list-style-type: none"> <li>• Has the council formally adopted standing orders and financial regulations? <b>YES reviewed in February 2022 no change and financial regulations were updated and adopted and minuted in March 2020, no change since then other than changes to the Financial Regulations and Standing Orders regarding (a) clarification that VAT is exclusive on public contracts over £25,000 and that (b) the requirement to obtain 3 quotes can be amended to a requirement to use reasonable endeavours to obtain 3 quotes, approved at 1 December 2022 HPC council meeting.</b></li> <li>• Has a Responsible finance officer been appointed with specific duties? <b>YES – RFO is also the Clerk. The financial practices and procedures of Henham Parish Council have been documented and are reviewed by the council and the Internal Auditor at least once per year.</b></li> <li>• Have items or services above the de minimus amount been competitively purchased? <b>YES</b></li> <li>• Are payments in the cashbook supported by invoices, authorised and minuted? <b>YES</b></li> <li>• Has VAT on payments been identified, recorded and reclaimed? <b>YES</b></li> <li>• Is s137 expenditure separately recorded and within statutory limits? <b>No expenditure on un-authorised activities has taken place.</b></li> </ul>
Risk management arrangements	<ul style="list-style-type: none"> <li>• Does a review of the minutes identify any unusual financial activity? <b>All financial activity is recorded in the minutes and would therefore be easily identified.</b></li> <li>• Do minutes record the council carrying out an annual risk assessment? <b>Annual risk assessment is carried out prior to renewing the insurance policy.</b></li> <li>• Is insurance cover appropriate and adequate? <b>YES</b></li> <li>• Are internal financial controls documented and regularly reviewed? <b>YES</b></li> </ul>
Budgetary Controls	<ul style="list-style-type: none"> <li>• Has the council prepared an annual budget in support of its precept? <b>YES</b></li> <li>• Is actual expenditure against the budget regularly reported to the council? <b>YES – usually on a quarterly basis</b></li> <li>• Are there any significant unexplained variances from budget? <b>NO</b></li> </ul>
Income Controls	<ul style="list-style-type: none"> <li>• Is income properly recorded and promptly banked? <b>YES</b></li> <li>• Does the precept recorded agree to the Council Tax authority's notification? <b>YES</b></li> </ul> <p>Are security controls over cash and near-cash adequate and effective? <b>There are no cash or near cash scenarios in the council's dealings.</b></p>
Publication on Website	<ul style="list-style-type: none"> <li>• Has the council published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation? <b>YES</b></li> <li>• In the year covered by this AGAR, has the council correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set)? <b>YES</b></li> </ul>


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Petty cash procedures	<ul style="list-style-type: none"> <li>• Is all petty cash spent recorded and supported by VAT invoices/receipts?</li> <li>• Is petty cash expenditure reported to each council meeting?</li> <li>• Is petty cash reimbursement carried out regularly?</li> </ul> <p><b>There are no petty cash scenarios within the council's dealings. Any expenditure by councillors or the clerk, on behalf of the council, is reimbursed by cheque, against VAT invoices/receipts.</b></p>
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Internal Control	Suggested testing
Payroll Controls	<ul style="list-style-type: none"> <li>• Do all employees have contracts of employment with clear terms and conditions? <b>YES</b></li> <li>• Do salaries paid agree with those approved by the council? <b>YES</b></li> <li>• Are other payments to employees reasonable and approved by the council? <b>YES</b></li> <li>• Have PAYE/NIC been properly operated by the council as an employer? <b>YES. The council is an HMRC registered employer and uses HMRC Basic PAYE Tools for maintaining the payroll for its one employee.</b></li> </ul>
Assets controls	<ul style="list-style-type: none"> <li>• Does the council maintain a register of all material assets owned or in its care? <b>YES. All land assets are registered with the Land Registry. There are currently no assets other than land.</b></li> <li>• Are the assets and Investments registers up to date? <b>YES.</b></li> <li>• Do asset insurance valuations agree with those in the asset register? <b>YES.</b></li> </ul>
Bank Reconciliation	<ul style="list-style-type: none"> <li>• Is there a bank reconciliation for each account? <b>YES</b></li> <li>• Is a bank reconciliation carried out regularly and in a timely fashion? <b>YES. The current account is reconciled each month.</b></li> <li>• Are there any unexplained balancing entries in any reconciliation? <b>NO</b></li> <li>• Is the value of investments held summarised on the reconciliation? <b>YES</b></li> </ul>

Signed.....  
 Name...TREVOR JUDD.....  
 Date.....21 MAY 2023.....

Position: Internal Auditor

Signed.....  
 Name.....ALETTE MCCARTY.....  
 Date.....22/5/23.....

Position: RFO/Clerk