

Annual Internal Audit Report 2024/25

SILK WILLOUGHBY PARISH COUNCIL - L10318

<https://silk-willoughby.parish.lincolnshire.gov.uk>

During the financial year ended 31 March 2025, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2024/25 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
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.	✓		
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.			✓
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 bank account reconciliations were properly carried out during the year.	✓		
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')	✓		
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period 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 (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

R. POPPLEWELL.

Signature of person who carried out the internal audit

REDACTED

Date 23/4/2025.

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

* NO PETTY CASH.

Lincolnshire Association of Local Councils

Internal Audit Report.

This audit report is to read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return.

Council:	Silk Willoughby Parish Council
Internal Auditor:	Rachel Popplewell
Year Ending:	31 March 2025
Date of Report	23.04.2025

Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the council through its staff and management and not left for internal audit. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council to detect error or fraud. This report is based on the evidence made available to me and consequently the report is limited to those matters set out below.

The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.

Lincolnshire Association of Local Councils

Internal Audit Report.

To the Chair of Silk Willoughby Parish Council.

I have examined council business including policies, agendas & minutes, accounting and financial statements and other documents relevant to this audit.

Several areas were identified where action was required in the immediate future other actions are offered as suggestions for improvement or considered to be best practice. I have discussed these with the Clerk, see below.

Actions from last the last audit in *Italics*.

Council management and activity.

- Standing Orders & Financial Regulations are in place – reviewed May 2025.
Yes, in place to be reviewed May 2025 – advised of revised versions to be adopted.
- Review of the Grants Policy to be done to ensure it reflects what is happening at the Council.
In place, ensure amounts are adhered to (especially for Clock renovations)
- Cheque payments are now in place, replacing the online banking. Councillors are now more aware of payments being made.
Yes, cheques signed in the meeting. All Councillors more aware of payments.
- Council to consider transferring monies to another bank as under the Financial Services Compensation Scheme only £85000 per customer is protected.
[Financial Services Compensation Scheme - Wikipedia](#) **
- Council has received a large sum of money from Solar Farm, consider an Earmarked Reserves/Investment Policy (the money does come with a caveat). Ensure it is a separate line in the cashbook. **
Money is now separated out, making it easier to identify general fund and Solar Farm monies.
- Budget reviews to be carried out more often, along with the signing of the Bank Reconciliation (see FR 2.6)
Ongoing action point.
- Salary payments to be in the minutes. *Yes, payments checked for salary payment to the Clerk.*

Summary

After talking with the Clerk most policies are in place and available via the website.
Recommendations from the Internal Audit have been undertaken.

AGAR form 2 has been signed.

Yours sincerely

R Popplewell

Rachel Popplewell

Internal Auditor

Lincolnshire Association Local Councils

23.04.2025.