

27<sup>th</sup> April 2026

To: The Chairman and all elected Members, Utterby Parish Council

**Internal Audit Report.**

The internal audit for the above period has been carried remotely with access to documentation via the council's website and shared files from the Clerk and RFO. The year end internal audit review covers the financial and administration period 1<sup>st</sup> April 2025 to 31<sup>st</sup> March 2026.

**Items included in the scope of this intermediate audit:**

- Assets / Asset Register
- Authorisation of Expenditure
- Bank Statements
- Budget: Expenditure / Monitoring
- Cashbook Entries
- Cheque Book Entries
- Financial Regulations
- Income
- Invoices
- Insurance
- Minutes
- Reconciliation
- Risk Register
- Salaries
  - PAYE
  - NI
  - Pension Requirements
- Standing Orders
- VAT

**Items excluded from the scope of this audit:**

None

**General Note(s)**

Potential changes in best practice methods in respect to the 'Internal Audit' regime for future year end processes and AGAR have been published in *Governance and Accountability or Smaller Authorities in England Practitioners Guide* during 2026.

## **Statement of Internal Audit**

From sample testing undertaken I am satisfied that the accounts and bank balances for this period are financially correct and that adequate and robust measures are in place and being utilised ensuring correct financial record keeping and best practice financial reporting to the Council.

The Parish Clerk & RFO should be congratulated for the effectiveness of the overall administration and keeping of and presentation of accurate, comprehensive and robust financial records on behalf of the Parish Council and praised for continued enthusiasm and commitment to the role.

I have no reservations on issuing this annual statement of satisfaction in respect of the financial accounts and procedures for the financial period 1<sup>st</sup> April 2025 to 31<sup>st</sup> March 2026.

Steve Fletcher

Mr S Fletcher

IMO; Dip Ed (MA); CiLCA; MILCM; PIALC; FiLCA; PSLCC

**UTTERBY PARISH COUNCIL****Internal Audit Checklist: 27<sup>th</sup> April 2026****Financial Period: 1<sup>st</sup> April 2025 to 31<sup>st</sup> March 2026.**

<b>CONTROL</b>	<b>TEST</b>	<b>Y/N</b>	<b>COMMENTS / RECOMMENDATIONS</b>
<b>Assets</b>	Asset Register	<b>Y</b>	Maintained by clerk. Reviewed 2025/26
	Updated	<b>Y</b>	As above
	Zero Balances	<b>n/a</b>	None
<b>Attendance (Register)</b>	Elected Members	<b>Y</b>	Evidenced in minutes
	Completed DPI forms	<b>Y</b>	Evidenced in folder
<b>Budget</b>	Process Followed	<b>Y</b>	Final budget 2025/26 agreed by Council
	Reports to Council	<b>Y</b>	Evidence: Reported to full Council at meetings
	Variances	<b>Y</b>	None
<b>Cash Book</b>	Up to date	<b>Y</b>	Evidence: Reported to Council
	Balanced	<b>Y</b>	As above
	Discrepancies	<b>N</b>	None
<b>Cash</b>	Records kept	<b>Y</b>	Evidence: Reported to Council
<b>Credit / Debit Card</b>	Records kept	<b>n/a</b>	Not applicable
<b>Petty Cash</b>	Records kept	<b>n/a</b>	No petty cash account used
	Re-Imbursement	<b>Y</b>	Control measures in place
<b>Cheque Books</b>	Completed / countersigned	<b>Y</b>	
<b>Cancelled Cheques</b>	Procedure	<b>n/a</b>	Not Applicable
<b>Direct Debits / Credits</b>	Approved by Council	<b>n/a</b>	None
<b>Financial Regulations</b>	Updated / Approved	<b>Y</b>	Reviewed 2025/26
<b>Income</b>	Promptly Banked	<b>n/a</b>	No income apart from precept
	Anticipated	<b>Y</b>	Evidenced in minutes (precept)
	Receipted	<b>Y</b>	Evidenced in bank statement
<b>Internal Auditor</b>	Appointment of	<b>Y</b>	Evidenced in minutes / financial regulations
<b>Payment Controls</b>	Invoices	<b>Y</b>	Evidenced in bank reconciliation folder
	Minuted	<b>Y</b>	Evidenced in minutes
	VAT Payments	<b>Y</b>	VAT Payments are offset against reclaims – evidenced in folder
	VAT Reclaimed	<b>Y</b>	VAT claimed

	S. 137	Y	A separate record of section 137 spend is recorded
<b>Payroll</b>	In House	Y	HMRC on-line payroll system used
	Salaries Approved	Y	Evidenced in Council minutes and payment schedules signed
	PAYE / NI Correct	Y	Calculated using HMRC on-line payroll system
	Pension Contributions	n/a	Clerk opted out of scheme offered
	Cllr Allowances/Expenses	n/a	None
<b>Reconciliation</b>	All Accounts	Y	Evidenced in bank reconciliation. Excellent cross referencing.
	Up to date	Y	As above
	Balanced to statements	Y	As above
<b>Risk Management</b>	RM Policy Approved	N	Under Review – to be checked at a future audit
	Unusual Activities	N	n/a
	Insurance Cover	Y	Evidence: Minutes refer, certificates provided.
	Reviewed (Annually)	Y	As above
	Controls	n/a	n/a
<b>Standing Orders</b>	Updated / Approved	N	Reviewed 2025/26
<b>Internal Audit 2024/25</b>	Accounts Agree	Y	Evidenced in bank reconciliation. Excellent cross referencing.
(to date)	Audit trail Adequate	Y	Excellent Audit trail; financial records / documents supplied

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