

Annual Internal Audit Report 2024/25

BASILDON PARISH COUNCIL

www.basildon-berks-pc.gov.uk

LOCALLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

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).	✓		

NO
PETTY
CASH

O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

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

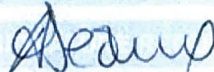
Date(s) internal audit undertaken

25/04/2025

Name of person who carried out the internal audit

A Beams, Mulberry LAS Ltd

Signature of person who carried out the internal audit



Date

25/04/2025

*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).

Should you have any queries please contact me directly on andy@mulberrylas.co.uk or 07428 647069.

Yours sincerely



Andy Beams

Director, Mulberry Local Authority Services Ltd

Final Internal Audit - Points Carried Forward

Audit Point	Audit Findings	Council comments
B. FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS	<p>I note on the West Berkshire Council website there are only six Register of Members' Interest Forms published, despite there being eight councillors listed on the Parish Council website. The missing forms must be added to the website as soon as possible to comply with the requirements, and the council should publish the register of interest forms on their own website in accordance with the DCLG guidance.</p> <p>I draw the council's attention to the updated SAPPP Practitioner's Guide for the 2025/26 financial year, published in March 2025.</p> <p>The council currently uses parishcouncil@basildon-berks.net for emails, and individual councillors appear to be using hotmail.com emails. A new Governance Assertion on the AGAR for 2025/26 relating to Digital and Data Compliance includes the following requirement:</p> <p><i>1.47 Email management - Every authority must have a generic email account hosted on an authority owned domain, for example clerk@abcparishcouncil.gov.uk or clerk@abcparishcouncil.org.uk rather than abcparishclerk@gmail.com or abcparishclerk@outlook.com for example.</i></p> <p>I was unable to locate either a Privacy Notice or Website Accessibility Statement on the council website.</p>	

	<p>These requirements are also likely to be tested under the Digital and Data Compliance governance assertion on the AGAR for 2025/26 and I recommend the council ensures these are added to the website as soon as possible.</p> <p>I recommend that the council updates its Standing Orders using the current NALC template available on the NALC website to ensure it is meeting all its statutory responsibilities, and then ensures the Standing Orders are reviewed annually, with this activity noted in the minutes of the relevant meeting.</p> <p>Upon review of the council website, I was unable to find any Financial Regulations. During my conversation with the Clerk, it became apparent that while elements of the regulations are familiar (authorisation limits), this is not a document that the council updates and reviews annually, which accords with best practice.</p> <p>The Financial Regulations underpin the council's approach to the management of public money, and I recommend the council reviews the NALC model Financial Regulations (available on the NALC website), adapts these to suit the size and structure of the council, and then ensures they are reviewed annually, with this activity noted in the minutes of the relevant meeting.</p> <p>I recommend the council ensures that VAT reclaims are completed at least annually to avoid any delays in funds being returned to the council.</p>	
C. RISK MANAGEMENT AND INSURANCE	<p>There is no evidence within the minutes of meetings that either the risk policy or risk schedule have been reviewed and adopted during the financial year, and I recommend that the council ensures these documents are reviewed for accuracy and relevance annually, with this activity noted in the minutes of the relevant meeting.</p> <p>Based on the year-end balances held by the council both this year and the previous year, the Fidelity Guarantee appears insufficient, and I recommend the council increase this to</p>	

	cover the maximum balance held at any point during the year.	
D. BUDGET, PRECEPT AND RESERVES	<p>While payments are approved at meetings, and this is recorded in the minutes, there is no evidence of regular reporting of budget performance through the year. I recommend that the council introduces a regular report (at least quarterly) to provide councillors with up-to-date information and allow them to make informed financial decisions.</p> <p>At the end of the financial year, the council held £8,660 in an earmarked reserve for Community Infrastructure Levy (CIL) receipts, with all other funds (circa £55,000) held in the general reserve. The general reserve balance is therefore more than double the precept and considerably higher than the recommended guidance.</p>	
H. ASSETS AND INVESTMENTS	<p>I recommend the nil values on the asset are altered to £1 to comply with the JPAG guidance. This change is minimal to the overall asset register total and does not require restatement to the External Auditor for the incorrect valuation used in previous year.</p>	
I. BANK AND CASH	<p>There is no evidence of bank reconciliations being independently verified during the year, as recommended and included in the NALC model Financial Regulations (2.6) which states '<i>At least [once in each quarter], and at each financial year end, a member other than the Chair {or a cheque signatory} shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign and date the reconciliations and the original bank statements (or similar document) as evidence of this. This activity, including any exceptions, shall be reported to and noted by the council {Finance Committee}.</i>'</p>	