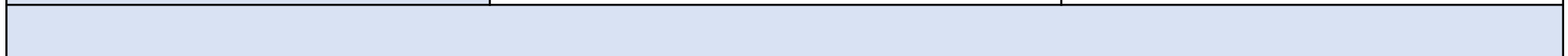


## ERNLLCA Internal Audit Checklist 2025/26

<b>Name of Parish or Town Council</b>	Cadney cum Howsham PC		
<b>Parish Council website</b>	www.cadneycumhowsham.org.uk		
<b>Name of internal auditor</b>	Brian Brooks		
<b>Date of audit</b>	June 2026		
<b>Type of audit</b>	Intermediate		Year-end (including AGAR) Y
<b>Council contact information</b>	<b>Name</b>	<b>Email</b>	
<b>Clerk</b>	James Truepenny	<a href="mailto:clerk@cadneycumhowsham.org.uk">clerk@cadneycumhowsham.org.uk</a>	
<b>RFO* if different</b>			
<b>Chairman*</b>	Cllr P Heath	<a href="mailto:pheath.cchpc@gmail.com">pheath.cchpc@gmail.com</a>	



<b>Electorate</b>	366	<b>Total number of seats</b>	8
<b>Quorum</b>	3	<b>Number of seats filled at time of audit</b>	8
<b>Precept Demand 2025/26</b>	£ 8,500	<b>Gross budgeted Income</b>	£ No Budget document
<b>Date of most recent audit</b>	08/05/26 - Objectives A-L only	<b>Gross budgeted Expenditure</b>	£ Not Budget document

	Tested?	Comments
<b>Has the internal auditor seen previous internal and external audit reports including the most recent? What were the main recommendations?</b>	Y	EXEMPT 2024/25 IA AGAR AIAR only – Objectives M, N, O not covered No detailed Report / Recommendations
<b>Were the auditor reports and actions implemented? Have the actions appeared in the minutes? (SAPPP The Practitioners Guide para 5.99)</b>	Y	Date minuted and minute reference(s)

Key governance review		Tested?	Comments & recommendations	Risk <sup>1</sup>		
				Low	Med	High
1	Standing Orders* (latest version, tailored, reviewed and lawful)	Y	min 2405/16 Review deferred see SO 5j Rev min 2406/10 2018 vers on web			X
2	Financial Regulations* (latest version, tailored, reviewed and lawful)	Y	Not reviewed at APM see SO 5j No record of adoption - not published			X
3	Terms of reference (committees / working groups) (Agenda - clear days' notice, quorum, no individual councillors making decisions)	Y	2505/12 Elect Personnel 4 cllrs No record of ToR see SO 5j			X
4	Councillors' Code of Conduct*	Y	No record of adoption			X
5	Complaints procedure* (tailored and reviewed)	Y	No record of adoption see SO 5j			X
6	IT Policy	Y	No record of adoption see SO 5j			X

7	Website complies with (WCAG) 2.2AA standards and Website Accessibility Statement reviewed and published online* <a href="https://www.gov.uk/guidance/accessibility-requirements-for-public-sector-websites-and-apps">https://www.gov.uk/guidance/accessibility-requirements-for-public-sector-websites-and-apps</a>	Y	No record of statement on website			X
8	Council registered with the ICO and <a href="#">Publication scheme</a> (up to date, tailored, reviewed and lawful) available on the council website*	Y	Not reviewed APCM see SO 5j ( Last Reviewed vers 2015 on web )			X
9	<a href="#">GDPR policies in place</a> * <ul style="list-style-type: none"> <li>• Data Record Retention Schedule</li> <li>• Data Breach Policy</li> <li>• Privacy Notices</li> <li>• Rights Requests Policy (Subject Access Request)</li> <li>• Data security policy</li> </ul>	Y	Not reviewed APCM see SO 5j NO records			X
10	General Power of Competence (decision compliant with S.1-8 Localism Act 2011 and 'The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012'). <ul style="list-style-type: none"> <li>• Date and minute reference GPC adopted</li> <li>• Qualified Clerk? (CiLCA 2015 or later or Level 4 Community Governance or higher qualifications seen)</li> <li>• Two-thirds elected councillors at the time of adoption during the current cycle.</li> </ul>	Y	Not eligible			
11	Arrangement for inspection of public records adequate* (Announced at least one day after parish council approval, announced at least one day ahead of inspection period, minuted approval by council of inspection period dates - 30 working days including first 10 working days of July).	Y	Public Rights Notice issued 29/07/25 30/07/25 – 10/09/25 Dates Not compliant with Accounts & Audit Regs			X
12	External audit report published by 30 Sept on the council website (not applicable to councils validly certified as 'Exempt').* (TPG para 5.81- 5.84 also see guidance notes on front of applicable AGAR form)		Exempt			
13	Insurance Cover <ul style="list-style-type: none"> <li>• Reviewed annually for levels of cover</li> <li>• Certificate(s) viewed &amp; valid</li> <li>• Employees' Liability Cover in place and published*</li> <li>• Public Liability Cover</li> <li>• Employees' Fidelity Guarantee</li> <li>• Councillors' ages reviewed and recorded (some policies restrict some or all cover over certain ages)</li> <li>• Other e.g. vehicles, assets, equipment, volunteers</li> <li>• Compare schedule against asset register and ensure adequate insurance is in place for items to be covered.</li> <li>• Public liability insurance must match the PLI for any delegated services, assets (£10million)</li> </ul>	Y	Not reviewed APCM see SO 5j Ren min 2602/15 @ £ 366.67 Valid 08/03/26 – 07/03/27 £10M £12M £250K			X

- Any insurance claims during the previous 12 months which may affect the policy and valuations and cover.

Transparency		Tested?	Comments & recommendations	Risk		
				Low	Med	High
14	End of year accounts published by 1 July*	Y		x		
15	Annual Governance statement published by 1 July* Correctly claimed exemption from audit (if relevant)	Y	min 2505/19 AGAR forms completed	x		
16	Documents listed on front page of AGAR form published as specified.	Y	Cert Exemp/AIAR part/Sect1&2 only			X
17	Past 5 years of annual returns available online*	Y	Cert Exemp/AIAR part/Sect1&2 only			X
18	Asset register published by 1 July*	Y		x		
19	Annual publication of Members Allowances, Subsistence and Travel expenses paid in the financial year. ( <u>Local Authorities (Members' Allowances) (England) Regulations 2003 regulation 31</u> )	Y	PCM mins / accounts	x		
<b>ICO Model Publication Scheme expected requirements:</b>		Y	see 8, 16 & 17			X
20	All items of expenditure above £100 published by 1 July (over £500 for larger Councils)	Y	PCM Minutes	x		
21	Councillor responsibilities published by 1 July	Y	APCM Minutes	x		
22	Draft minutes published within one month of the meeting	Y	15/10/25 & 21/01/26 Not on website			X
<b>Councils over £200K turnover:</b>		N/A				
23	Senior officer salaries published*					
24	Data on issues important to local people (eg.subsidised trade union activity, projects, parking, grants)*					
25	Procurement information over £5,000 published*					

Accounting		Tested?	Comments & recommendations	Risk		
				Low	Med	High
26	Cashbook maintained and up to date	Y	Rec £ 8,500 Pay £ 7,652	X		
27	Arithmetically correct (checks / balance)	Y		X		
28	Evidence of internal control (compliant with Standing Orders and Financial Regulations and TPG 1.14-1.21)	Y	Payments not listed on Agenda / Minutes No Bank Statements Checked			X
29	VAT* ● evidence of recording evidence of reclaiming	Y	Rec £ 0 ? Pay £140.22	X		
30	All payments supported by authorised, minuted invoices	Y	Except 3, 1 - Clerk 2 – HMRC	X		
31	s.137* (last resort power for non-GPC councils) ● Recorded separately within accounts ● Within legal threshold limits for the current year ● Spend in accordance with legislation	Y	Total £ 552.10 see 56	X		
32	Payments made in accordance with Financial Regulations ● Online banking ● BACS ● Direct Debit	Y	No Fin Regs Online Banking BACS & DD			X
Budget		Tested?	Comments & recommendations	Risk		
				Low	Med	High
33	Annual budget in support of precept approved by full council and minuted*	Y	min 2411/18 Not published			X
34	Precept demand properly minuted*	Y	min 24/1118	X		
35	General and earmarked reserves reviewed and sufficient (TPG 1.13, 2.10-11, 4.21 Table D, 5.31-5.39, 5.208)	Y	Recommend EMR & GenR to be recorded on Annual Budget document	X		
36	Budget is monitored regularly with variances reported to council in line with Financial Regulations. Variances from budget explained	Y	NO Budget document located No Fin/Regs adopted			X

Income control		Tested?	Comments & recommendations	Risk		
				Low	Med	High

37	Income properly recorded and banked promptly	Y	£ 8,500	X		
38	Precept income received in bank account	Y	£ 7,652	X		
39	Effective security of cash and cash transactions	N/A				
40	Effective security of card transactions	N/A				

Bank reconciliation		Tested?	Comments & recommendations	Risk		
				Low	Med	High
41	Regular bank balances minuted and bank statement reconciliation and signed off by members and minuted.	Y	No record of statement reconciliation or presented			X
42	Balancing entries (adjustments) explained	N/A				
43	Bank mandate up to date -Evidence of signatories reviewed and minuted ?	Y	No record of mandate available			X

Petty cash		N/A	Comments & recommendations	Risk		
				Low	Med	High
44	Petty cash account used/authorised					
45	Petty cash spending supported by VAT receipt(s)					
46	Petty cash reported to Council					
47	Petty cash float reconciled/reimbursed					
Asset control		Tested?	Comments & recommendations	Risk		
				Low	Med	High
48	Register of assets* <ul style="list-style-type: none"> <li>● Exists Y</li> <li>● Reviewed and up to date ?</li> <li>● Published Y</li> </ul>	Y	March 2024 on web Box 9 £ 9428 Not reviewed at APCM see SO 5j		X	
49	If Investments total over £100,000 an Investment Strategy has been adopted and ensure long-term investments for 12+ months are recorded in the Asset Register. (LGA 2003 s.15(1)(a) TPG 2.26-2.29 & 5.185-5.194)		N/A			
50	Assets inspected and Health & Safety issues considered* <ul style="list-style-type: none"> <li>● Street furniture</li> <li>● Defibrillators</li> </ul>	Y	No Records identified			X
51	Land and property registered with HM Land Registry.	Y	None owned			

<a href="https://www.gov.uk/government/publications/registering-local-authority-land-and-property-with-hm-land-registry/register-local-authority-land-and-property">https://www.gov.uk/government/publications/registering-local-authority-land-and-property-with-hm-land-registry/register-local-authority-land-and-property</a>					
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Risk management		Tested?	Comments & recommendations	Risk		
				Low	Med	High
52	Risk Register / Management scheme in place	Y	No document located			X
53	Annual risk assessment undertaken as a minimum	Y	No document located			X
54	Financial controls and procedures documented	Y	No Fin/Regs			X
55	Regular financial reporting to Council in line with Financial Regulations	Y	No Fin/Regs			X
56	Grants ratified and minuted according to policy	Y	Grant Policies not published See 31	x		
57	Evidence of unusual activity from minutes	Y	1 - APCM Attendance Mr P Heath 2 - Accounts for payment not listed on Agendas / Minutes 3 - Min 2507/05 Approved Personnel 17/07/24 Mins - should have been presented to next full council 4 - Sept PCM Attendance C Stafford V/C ? – No record of appointment 5 - 2510/01 & 2511/01 Not required for 2510/18 & 2511/18	x  x  x	X	X   X

General		Tested?	Comments & recommendations	Risk		
				Low	Med	High
58	Back up of files adequate	Y		X		
59	Storage of files (paper and electronic) adequate	Y		X		
60	Cyber security measures in place	Y		X		
61	Local Council Award Scheme applicable	N/A				
Proper Process / Practice		Tested?	Comments & recommendations	Risk		
				Low	Med	High
62	List of Members' interests* <ul style="list-style-type: none"> <li>• Displayed/linked on council website</li> <li>• reviewed regularly (Members have a statutory requirement to complete and report changes within 28 days of change)</li> </ul>	Y	8 Members listed on NLC web	X		

	<ul style="list-style-type: none"> <li>Interests declared in meetings and members follow Standing Orders and Code of Conduct</li> <li>Dispensations approved as set out in Standing Orders and minuted.</li> </ul>		No Dispensations documents			
63	<b>Declarations of Acceptance of Office*</b> <ul style="list-style-type: none"> <li>Councillor (after election/ co-option)</li> <li>Chair (at least annually)</li> </ul>	Y	APCM min 2505/01 - Not Recorded	X		
64	Co-options (after eligibility and disqualification checks) approved by vote, minuted and according to policy	Y	2505/04 Cllr. P Hart No record of Policy	X		
65	Agenda signed, specified & displayed with 3 clear days notice*	Y	Main Headings only - Content not specified			X
66	<b>Minutes lawful and published/ hard copy signed*</b> <ul style="list-style-type: none"> <li>Apologies noted or resolved to be accepted?</li> <li>Minutes sequential?</li> <li>Members present and not present recorded</li> <li>Interests correctly minuted and members leave room in accordance with Code of Conduct and Standing Orders (Ss27-33 Localism Act 2011)</li> <li>Dispensations applied for and granted in accordance with Standing Orders (S.33 Localism Act 2011)</li> <li>Resolutions are minuted and stated with clarity.</li> </ul>	Y	15/10/25 & 21/01/26 – Not Published  Minutes pages not sequentially numbered  Reference to dispensations in minutes given by the clerk No recorded document	x		X
67	Confidential items correctly used and resolutions minuted and published Public Bodies (Admission to Meetings) Act 1960 S.1(2)	Y		x		
68	Council-owned email address account in place TPG 1.47 (not gmail/outlook etc)	Y	@cadneycumhowsham.org.uk	x		
69	Purchase order system used/correct	Y	N/A	x		
70	Purchasing authorised in line with Financial Regulations / limits	Y	No Fin/Regs	x		
71	<b>Council operating within legal powers*</b> Best practice to include legal power in resolutions of council.	Y	Best practice includes legal power in resolutions Carried out by KH Clerk May 2026	x		
72	<b>Delegation to officers or committees</b> <ul style="list-style-type: none"> <li>Lawful delegation (an individual councillor does not have decision-making powers – S.101 Local Government Act 1972)</li> <li>Limits set out in financial regulations and / or standing orders or policies or schemes of delegation;</li> <li>adhered to;</li> <li>reported adequately</li> </ul>	Y	No Records No Fin/Regs No ToR			X

Payroll & HR		Tested?	Comments & recommendations				Risk		
							Low	Med	High
73	Employee posts properly approved/ recorded/ correct job descriptions in place for each post holder and amendments are confirmed by letter. <ul style="list-style-type: none"> <li>• Proper Officer (Clerk)</li> <li>• RFO</li> <li>• Site staff/ Grounds workers</li> </ul>	Y	JT only employee Clerk /RFO Cont/Emp & JD - NOT Available Recommend update Addendum / Records					X	X
74	Public sector IR35 rules applied where applicable <a href="https://www.gov.uk/guidance/off-payroll-working-for-clients">https://www.gov.uk/guidance/off-payroll-working-for-clients</a>	N/A							
75	Right to work checks for employees completed <a href="https://www.gov.uk/check-job-applicant-right-to-work">https://www.gov.uk/check-job-applicant-right-to-work</a>	N/A							
76	Written statement of particulars for all staff from day one (April 2020 onwards) <a href="https://www.gov.uk/employment-contracts-and-conditions/write-n-statement-of-employment-particulars">https://www.gov.uk/employment-contracts-and-conditions/write-n-statement-of-employment-particulars</a> and amendments to contracts confirmed in writing*								
77	Proper procedures for payroll, PAYE & NI registered with HMRC and monthly reporting of RTI and Pensions*	Y	Sampled 31/12/25				x		
78	Is payroll inhouse or external provider used?	Y	In-house		External	Payroll Hub	x		
79	PAYE & NI payments spot checked - calculations	Y	Sampled JT Pay-Slip 9.5 @14.3+ 2hrs Hols Tax £34.40 NI £0				x		
80	Employers Allowance – Councils are not eligible – payroll system checked.	N/A							
81	Approval of salaries and increments minuted	Y	Min 2507/06 Salary review PayScale 10 @ 14.35				x		
82	Approval of expense claims, - including checking claim accurately covers journeys made	Y					x		
83	Minimum wage threshold met	Y					x		
84	HR procedures and policies adopted / reviewed Disciplinary policy* Grievance policy* Sickness absence/Anti-bullying and harassment	Y	Not reviewed APCM see SO 5j  ( vers 2015 on website )						X X
85	Training policy and records for staff & Members	Y	No record of Policy						X

86	Probation review completed for new staff within probation period.	N/A				
87	Annual appraisals undertaken	Y	No specific records only Personnel Minutes			X
88	Job description up to date / reviewed		See 73			X
89	<a href="#">Health and safety policy</a> * (5 or more employees) <a href="#">Display Screen Equipment</a> * <a href="#">PUWER</a> / <a href="#">Manual Handling</a> / <a href="#">COSHH</a>	N/A				
90	Registered with The Pensions Regulator* Reference number Date of (Re)Declaration of Compliance (every 3 years)	Y	No Records available			X
91	Adequate Pension provision in place to meet statutory requirements <a href="https://www.gov.uk/employers-workplace-pensions-rules">https://www.gov.uk/employers-workplace-pensions-rules</a>	N/A	LGPS	Tick		
			NEST	Tick		
			ERPF	Identify		
	• Automatic Enrolment for Staff*					
	• Opt-Out Evidenced*					

Year End Process		Y/N	Comments & recommendations	Risk		
				Low	Med	High
92	Accounting method correctly applied <ul style="list-style-type: none"> <li>Income and expenditure – mandatory over £200k for 3 years</li> <li>Receipts and payments</li> </ul>	Y	Receipts and Payments			
93	Bank statement opening and closing balances reconcile to cash book / ledger.	Y		X		
94	Robust audit trail evident	Y		X		
95	Debtors and Creditors recorded (I&E accounting method only)	N/A		X		
96	Asset register updated for current and previous year balances	Y	No Change Box 9 £ 9424 see 48	X		
97	Borrowing – ensure appropriate DMO approval in place and full year accounting is accurate and checked against balance at 31 <sup>st</sup> March on DMO website. (TPG5.70) Arrangement fees are treated as administrative expenses in year of receipt.	N/A				
98	Lending - check if any lending has taken place and is accounted for	N/A				
99	Explanation of Variances completed	Y	Completed by KH Clerk May 2026	X		

99	Intermediate audit recommendations implemented	N/A			
100	Annual Accounting Statement rounding applied/adds up	Y		X	
101	Trust Funds – ensure account filing responsibilities are up to date and not included in AGAR figures	Y	Sect 2 Completed by KH Clerk 18/05		
102	The council has ticked the appropriate box regarding trust funds ('no' where not all responsibilities discharged or N/A if not a sole managing trustee)		PCM 24 June		
103	Previous year 'Restatements' correctly identified				
104	Auditor's recommendations for completion of the Annual Governance Statement (if applicable) and narrative report needed to explain IA Annual Statement's 'No' entries.	Y	Implications & Actions attached	X	

### End notes

**High and medium risk items may lead to the internal auditor stating that the Council does not comply with one or more assertions on the AGAR form at the end of the financial year.**

**High risk** – these items should be dealt with as a **high priority** because they may affect one or more of the following – statutory and must be done, high financial risk which could reveal the council to losses, not compliant with Proper Practices in the Practitioners' Guide, high risk of reputational damage, failure to comply may lead to penalties, prosecution or legal action.

**Medium risk** – these items need to be improved to meet one or more of the following - statutory requirements, support internal control, reduce the risk of financial loss and reputational damage, improve governance, improve compliance with proper practices in the Practitioners' Guide, and to improve procedures that should be in place.

**Low risk** – these items are usually **best practice** to improve governance, internal control, transparency, efficiency and effectiveness.

\*-Asterisked items are statutory requirements and should be in place where applicable.

**Transaction spot check** (Sample test transactions such as largest payment, employee salaries, direct debit, S.137, VAT, Councillors payment, etc)

Check number	1	2	3	4	5	6
Ledger date						
Item / budget heading						
Reference / Cheque number						
Order minute reference						
Delivery evidence						
Payment minute reference						
Invoice value						
Minute value						
Payment value						
Statement value						
Timely payment						
VAT recorded						
S137 recorded in ledger						
S137 minuted						
Notes/ recommendations						

**Please note – Transactions sampled in the specific sections / Cost area**