

## GREAT BRAXTED PARISH COUNCIL INTERNAL AUDIT 2024/25

### A Proper Bookkeeping

- Is the cash book maintained and up to date?  
*The cash book is an excel spreadsheet where Receipts are entered at the top of the worksheet and Payments below (from line 26). Payments in blue text relate to playground funds. Payments are split across headings to analyse costs by type so they can be compared against budget. There are 2 columns for the Pavilion Project: 2023 Expenses and 2024 Expenses. This is to track expenditure against the different grants. Spreadsheet is updated as the 'Accounts for payment' sheet is prepared and finalised in time for the bi monthly meetings. An Annual Return tab picks up the cash book totals for the AGAR.*
- Is the cash book arithmetic correct?  
*Yes, Excel spreadsheet*
- Is the cash book regularly balanced?  
*Yes, Formulae are used to reconcile to the bank balance.*

### B Financial Regulations, Standing Orders and Payment Controls

- Has the council formally adopted standing orders, financial regulations and publication Scheme?  
*Yes. All approved at the meeting 14 May 2024 (minute 24/13). SO amended to say public works contract tender threshold is £30,000 including VAT (even though this is the same as £25,000 excluding VAT as previously) [NALC has now issued new model FR and SO referring to changes in Public Contracts legislation. These will be adopted at the next review in May 2025.](#)*
- Has the council adopted other policies and procedures?  
*Yes. Approved at the meeting 14 May 2024 (minute 24/13). Policies are on the Great Braxted PC website. [Council Policies - Great Braxted Parish Council \(e-voice.org.uk\)](#)*
- Has a Responsible Financial Officer been appointed with specified duties?  
*Yes. The clerk is the RFO. The job description specifies the duties.*
- Have items or services been procured in accordance with Financial Regs?  
*Financial Regulations (4.5) specify the clerk has delegated power to approve up to £500 in cases of extreme risk to the delivery of council services, or in conjunction with the chairman (FR 4.1). The clerk has also been given authority to make payments to an agreed list of regular contractors, which are then reported to the council. Section 11h requires 3 estimates for contracts between £100 and £3000, 3 quotes for contracts between £3000 and £25,000. The implication is that tenders are required for contracts over £25,000 which agrees with section 17 of SO. The minutes refer to estimates or quotes being obtained for a hedge trimming (minute 24/54/3, 24/66/1), gate and posts (minute 24/67, 24/68/2), grass cutting (24/83/2), WiFi at Pavilion (24/89/1), grass cutting contract to March 2028 (minute 24/83/2).  
There is 1 payment of over £3000 (ex VAT) this year requiring 3 fixed price quotes for solar panels (29/09/24 £7407.75 Primetime), and a contract of over £25000 ex VAT (All Colour: paid in instalments to Cornwell Builders) requiring a tender process. The minutes record a tender process (09/07/24 minute 24/29) and refers to a quote comparison sheet and grant funding received from DHULC. A private and confidential meeting on 23 July 2024 appointed*

*Prime time to install the solar panels and All Colour for the roof refurbishment. The meeting 10/09/24 reports that the groundworks are underway. A village resident with suitable experience ensured compliance and sign off. All of the work on the pavilion has been gifted to the charity.*

- Are payments in the cash book supported by invoices, authorised and minuted?

*An 'Accounts for Payment' item in the minutes approve the payments. In advance of each meeting, councillors are emailed the 'Accounts for payment' sheet showing date, supplier, item description, amount ex VAT, VAT, total, and a column for authorisation number. The clerk sets up the payments on Unity and types the payment reference number in the authorisation column, or notes if paid by cheque or DD. The Accounts for Payment sheet is signed at the meeting and the source documents are initialled as evidence of scrutiny by councillors. The clerk sets up the payments on Unity and two councillors authorise the payments online after they are approved at the meeting.*

- Has VAT on payments been identified, recorded and reclaimed?  
*Yes. Payments with VAT included are recorded in a separate spreadsheet (VAT return back up) which pastes information from the Accounts for Payment sheets and builds through the year as a basis of claims from HMRC. There is also a VAT column on the cash book to act as a control. VAT was reclaimed more frequently than annually during 2024/25 because of expenditure relating to the pavilion project. VAT reclaims totalling £16553.06 for the year are for the period from 1<sup>st</sup> Feb 2024 to 31<sup>st</sup> January 2025. Receipts in April (£166.64), July (£627.71), August (£638.59), October (£10354.90), November (£3422.29), January (£885.92), February (£457.01). VAT on payments for the Feb and Mar 2025 will be reclaimed in £2025/26.*
- Is s137 expenditure separately recorded and within statutory limits?  
*There is a s137 column in the cash book (total £468.30), but the council adopted the General Power of Competence at its meeting on 9 July 2024 (24/26).*

## **C Risk Management**

- Does a scan of the minutes identify any unusual activity?  
*PC becoming a sole trustee of Pavilion charity (24/18, 24/69, 24/89, 24/98), Pavilion project – major capital works and external grant funds received (24/29, 24/52, 24/66, 24/89), VE Day event planning (24/103, 24/115) to be combined with official opening of the pavilion.*
- Do the minutes record the council carrying out a risk assessment?  
*Yes. The risk assessment was approved at the meeting on 14 May 2024 (minute 24/14). A spring clean event took place 22/03/25 (minutes 24/83 & 24/83/1). Volunteers were briefed at the start and given safety equipment (hi-vis, litter pickers, gloves, bags).*
- Is insurance cover appropriate and adequate?  
*Yes. Policy with Clear (previously BHIB) renewal 1 June 2024 (minute 24/16/1). Insurance cover for Property Damage, Money, employer's liability, public and products liability, fidelity guarantee, libel and slander, officials' indemnity, personal accident and legal expenses.*
- Are internal financial controls documented and regularly reviewed?  
*Payment of invoices – process is excellent with payments lists and source documents signed / initialled. Regular payees approved (24/17/2)*

Bank mandate and authority – approval of bank account signatories (24/10).

On Unity the clerk is authorised to view and set up payments and three councillors are authorised signatories.

Review of bank recs and evidence of scrutiny against the bank statements – appointment of councillor (a non-signatory on the bank account) to check bank recs (24/11). Bank statements are signed monthly, and bank recs signed quarterly.

Monitoring of actual v budget – noted quarterly

Internal controls over salary payments – Time sheets are sent each month to councillors and just over half are on file (not Apr, Oct, Nov, Jan, Feb) and initialled each month as part of the payment scrutiny. Backpay calculation was signed off (minute 24/70/4): a detailed report was attached to the agenda showing calculations of backpay to 01/04/24 on existing scale plus uplift to SCP 20 from 01/06/24..

Project management and Safeguarding assets – a local resident's firm, was appointed (letter 29/05/24) to perform the contract management function for the pavilion project. There is the annual play inspection and a councillor makes a monthly visual inspection of the play area and fitness equipment for immediate hazards such as broken glass, rabbit holes etc which are recorded on a Monthly Playground Inspection Form with columns for observations and whether action is required immediately, non-urgent or not at all.

- Are all risks identified and actions undertaken to mitigate risks?  
The Risk Assessment attached [to item 14](#) on the agenda has columns for Service Area, Risk and Recommendation. (note the [website version to be updated](#) ) It is in the format of a procedures / task list and is comprehensive in scope in respect of risks to the council. There are good risk mitigation control measures for the playground/parks.

## **D Budgetary Controls**

- Has the council prepared an annual budget in support of its precept?  
Yes. Draft budget discussed at the meeting on 12 November 2024 (minute 24/70/5. At the meeting on 28 January 2025 the council agreed a budget requirement of £14222 and precept of £13997 (minute 24/85). The Budget and Precept Report (agenda item 9 at January 2025 meeting), includes a text report explaining calculations of draft budget calculations for 2025/26.
- Is actual expenditure against the budget reported to the council?  
Yes. Actual v budget is reviewed by the council each quarter (minutes 24/33/3, 24/70/3, 24/84/3). Transfers to EMR were approved at the meeting on 28 January 2025 (minute 24/84/4). The Budget spreadsheet for 2024/25 separate the monitoring of operational activities and the Pavilion Project and includes comments to explain the variances. All of the 2023 grant funds received have been spent and monitoring reports returned.
- Are there any significant unexplained variances from budget?  
Yes, due to the pavilion project. Budgeted operational expenditure of £14202 and actual operational exp of £13069 is very close. Total expenditure of £108771 results from £79046 spend on the Pavilion Project, covered by grant income and timely VAT refund claims. Reserves have reduced from £19497 to £10790, just under the annual precept value.

## **E Income Controls**

- Does the council have sources of income other than precept and VAT refunds?  
*Pavilion committee contribution (£225), Grant (£69192), training bursary (£97.50), late precept payment (£19.43).  
Charges for use of the field was discussed at the meeting on 14 May 2024 and Terms of hire were adopted (minute 24/19)*
- Is income properly recorded and promptly banked?  
*All receipts are by direct credit.*
- Does the precept recorded in the cash book agree to the district council's notification?  
*Yes. Precept total £13977 received on 7 May 2024.*
- Are security controls over cash adequate and effective  
*No cash is handled*

## **F Petty Cash Procedures**

No petty cash

## **G Payroll and Staff Controls**

- Do salaries paid agree with those approved by the council?  
*Yes. Council employs the clerk/RFO for up to 20 hours per month on SCP19. If fewer hours are worked, the difference is taken as holiday so the monthly pay remains consistent. The NALC annual pay award (but not spinal point increments) is included in the contract. At its meeting on 12 November 2024 (minute 24/70/4) the council noted the annual pay award and approved the calculation of backpay (paid with November salary on 02/12/24). The council also agreed to an increase to SCP20 from 01/06/24 (per detailed report appended to 12/11/24 agenda) in recognition of the clerk's CiLCA qualification.*
- Are other payments to the clerk reasonable and approved by the council?  
*The clerk has a £9 per month home office allowance which is claimed with reimbursement for items such as travel, phone, stamps, etc., paid separately from salary.*
- Has PAYE / NIC and pensions been properly operated by the council as an employer?  
*The clerk uses HMRC basic tools for payroll and sets up the monthly net pay for authorisation by councillors. The monthly PAYE is included on the accounts for payment list but is paid quarterly to HMRC. This is noted on the Accounts for Payment list. The clerk has opted out of a pension scheme*
- What controls exist over management of staff time and duties?  
*Clerk keeps a time sheet which is sent to councillors each month: peaks and troughs in workload, and holiday, are managed within the monthly hours. An Appraisal Policy was adopted by the council at their meeting on 28 January 2025 (minute 24/86) and an appraisal is planned for 2025/26.*

## **H Asset Control**

- Does the council keep an asset register of all material assets owned?  
*Yes. The register has columns for category, site/description, purchase date, acquisitions, disposals, book value (AGAR 'cost') and Insurance Values. The*

*published Asset List is a mix of specific items (e.g. laptop, printer, defib, phone box) and broad descriptions (e.g. playground equipment, fitness equipment, bins, gates and fencing) which comprise multiple items. If individual items within the broad descriptions are removed or replaced, a methodology will be needed to decide the AGAR value for the disposal.*

- Is the register regularly updated?  
*The asset register is updated at the year-end in preparation for insurance renewal. Opening AGAR balance is £107124.46, 2024/25 additions £294.91 (hose and hose cart £228.26, printer £66.65), closing AGAR £107419.57.*
- Do asset insurance valuations agree with those in the asset register?  
*Part A (Property Damage) of the Clear (formerly BHIB) Insurance policy schedule in June 2024 had insured values of Contents £9000, Street Furniture £24,000, Gates and Fences £9000, Playground equipment £50443, War memorials £24000, Mowers and Machinery £6000, Sports Equipment £18769. Note that Clear provides standard cover for assets, even if not owned by the council (e.g. Mowers & machinery and war memorial). It is understood that the antique pump is covered under street furniture. The replacement cost for the Antique Village Pump is unknown but the £24000 street furniture cover is probably sufficient. The figures in the Insurance value of the asset register are similar to the AGAR values so do not look to be 'replacement cost'. *The council must satisfy themselves that the levels of cover are sufficient to cover replacement should a claim arise.**

#### **I Bank Reconciliation**

- Is there a bank rec for each account?  
*Yes. One bank account with Unity Trust.*  
*At the meeting on 9 July 2024 (minute 22/33/4) the council agreed to open an account with CCLA: confirmation letter on file dated 15/08/24. The account balance was zero at 31/03/25*
- Is the bank rec carried out regularly on receipt of statements? *Yes.*
- Are there any unexplained balancing entries in any reconciliation? *No.*

#### **J Year End Procedures**

- Are year-end accounts prepared on the correct accounting basis (R & P / I & E)?
- *Yes. R & P basis*
- Do accounts agree with the cash book and working papers?  
*Yes. All cross check*
- Is there an audit trail from underlying financial records to the accounts?  
*Yes. Agree back to supporting paperwork. Source documents are filed in sections for each meeting at which they are approved.*
- Where appropriate, have debtors and creditors been properly recorded?  
*Not required for R&P.*

#### **K Council Exempting itself from a limited assurance review**

- Did the council meet the criteria?  
*No. Gross income in 2023/24 exceeded £25000.*
- Was the exemption certified at a meeting? *n/a*
- Was the appropriate notice displayed? *n/a*

## **L Web page Publication**

*The authority publishes information on a website/webpage, up to date at the time of the internal audit, in accordance with the Transparency code for smaller authorities. Minutes include full details of approved expenditure.*

## **M Public Rights in Summer 2024**

*The council agreed the dates for the period for the Exercise of Public Rights commencing 3 June 2024 and ending 12 July 2024 and displayed the notice <https://greatbraxtedparishcouncil.gov.uk/greatbraxtedparishcouncil/assets/documents/agar-notice-of-period-of-publi-2>*

## **N Publication of Annual Return 2023/24**

*The authority has complied with the publication requirements for 2023/24 AGAR (see AGAR Page 1 Guidance Notes).  
[Annual Returns - Great Braxted Parish Council \(e-voice.org.uk\)](https://www.e-vvoice.org.uk/AnnualReturns/GreatBraxtedParishCouncil)*

## **O Trustees**

- If the council is a trustee, has it met its responsibilities?  
*At 31/03/25 Great Braxted PC is not a sole trustee.  
At its meeting on 14 May 2024 (minute 24/18) the council agreed to become sole trustee of The Village Hall charity number 301309 (otherwise known as Great Braxted Pavilion Management Committee). Work has continued throughout the year (minutes 24/69, 24/89/2).  
The works undertaken during 2024/25 to refurbish the Pavilion building have been undertaken by the Parish council and not by the charity.  
A fire risk assessment of the pavilion was referenced at the meeting on 12<sup>th</sup> March 2024 (minute 23/114) which raised some concerns. It is noted that the council is not responsible for the pavilion until, or if, it becomes the sole trustee of the charity.*

Jan Stobart, FCCA  
23 April 2025