

Humberston Village Council

Internal Audit Schedule of Works

Name of Council	Humberston Village Council	Name of Clerk	Katharine Peers
No of Councillors	12 seats – currently 8 members	Name of RFO (if not Clerk)	
Quorum	4	Precept	£120,000
Electorate	5,641	Gross budgeted income	£55,000

1. Book Keeping

Ledger maintained and up to date?	Yes		Emailed prior to audit for inspection. No issues
Arithmetic correct?	Yes		Using excel with formula, auto sum and cross referencing
Evidence of Internal Control?	Yes		Continuing with best practice of bank statements and cashbook sent out monthly to councillors along with the minutes, prior to meeting. Balanced quarterly. Confirmed by minutes
VAT evidence, recording and reclaimed?	Yes		£12084.85
Payments supported by invoices, authorised and minuted?	Yes		All evidenced by the minutes.
S137 separately recorded and within limits?	Yes		Only one payment of £19.99
S137 expenditure of direct benefit to electorate?	Yes		Poppy wreath

2. Due Process

Standing Orders adopted?	Yes		Carried out at AGM in May. No changes as no changes made by government.
Standing Orders reviewed at Annual Meeting?	Yes		Confirmed in the May 24 minutes
Financial Regulations adopted?	Yes		May 24
Financial Regulations tailored to Council?	Yes		No amendments made
Adequate internal controls for payments?	Yes		Continuation of the practice of payments are only able to be made using online banking app (through secure council phone) where possible. Only Clerk and Chair have this authority. All payments still discussed and minuted at meetings.

List of members interests held?	Yes		All available online
Agendas signed, informative and published with 3 clear days notice?	Yes		The process is to display on the noticeboard, make available online, and emailed to councillors.
Purchase orders/confirmations raised for all expenditure?	Yes		Continuing with the best practice of having multiple quotes for works and names removed for complete fairness and integrity. Examples seen.
Finance information circulated to all members. Eg bank statements, reconciliations	Yes		Bank statements sent monthly and discussed at meetings. Reconciliations carried out quarterly.
Committee Terms of Reference and reviewed?	Yes		Continuing with previous agreements

3. Risk Management

Does scan of minutes reveal any unusual activity?	Yes		Able to scan through minutes prior to the audit – nothing out of order
Annual risk assessment carried out?	Yes		May 24
Insurance cover in place and appropriate?	Yes		Renewed on another 3 year agreement with current provider
Evidence of annual insurance review?	Yes		May 24
Internal financial controls documented and evidenced?	Yes		All documented – easier to review thanks to online banking
Minutes initialled each page and overall signed?	Yes		All signed and initialled bar one month.
Regular reporting of bank balance?	Yes		Bank statements emailed monthly prior to meetings to allow time for full review and any questions to be raised.

4. Budget

Annual budget to support precept?	Yes		Budget in same format as always – provided prior to the audit to allow time to check
Has budget been discussed and adopted by Council?	Yes		All minuted
Any reserves earmarked?	Yes		£10k staffing fund and a £2,500 “tarmac” allowance
Any unexplained variances from budget?		No	Money spent on solar panels, but all explained
Precept demand correctly minuted?	Yes		January meeting

5. Payroll - Clerk			
Contract of employment?	Yes		No changes to the clerk so no changes to the contract
Tax code issued?	Yes		Tax code provided by HMRC used with this parish
PAYE/NI evidenced?	Yes		Using HMRC's own software
Has Council approved salary paid?	Yes		Standard clerk pay scale
Any other payments reasonable and approved by Council?	Yes		Discussed and agreed by Personnel Committee

6. Payroll - Other			
How many other staff apart from Clerk			5 additional staff members
Contracts of employment?	Yes		All contracts issued. Still using ERNLIICA for any advice when and where needed.
Does Council have public liability cover?	Yes		Continued with existing specialised cover.
Tax codes used?	Yes		Using codes provided by HMRC.
Minimum wages paid?	Yes		All being paid national minimum wage.
Pension obligations met?	Yes		All staff offered to join the pension scheme, even if below the threshold – two members of staff have chosen to join, and the council makes a contribution despite it not being a legal requirement based on earnings.
Complaints procedures in place?	Yes		All in place, arranged via ERNLLCA.

7. Asset Control			
Does Council keep a register of all material assets owned?	Yes		Shown at time of audit
Is asset register up to date?	Yes		Updated as and when new items purchased.
Value of individual assets included?	Yes		Using purchase price at time of purchase
Inspected each year and reviewed?	Yes		Done in May
Records of deeds, articles etc. kept?	Yes		Found deeds proving ownership of the original cemetery – see note one for additional cemetery land just purchased.

8. Cemetery			
Are bookings recorded and handled appropriately?	Yes		Sticker still being used on the front to the plastic sleeves for each booking. They clearly show what has/hasn't been done yet.
Are payments recorded and actioned?	Yes		Rates set annually. Some paying directly online but still some paying by cheque.
Are regulations complied with including PC's own rules and regulations?	Yes		Still using HABA standards. Strict procedures in place to ensure no issues.

9. Allotments			
Are tenancy agreements issued yearly?	Yes		Agreements being emailed now – assumed "acceptance" of terms if payment received, even if TA not signed.
Are rents collected appropriately and banked?	Yes		BACS payments accepted where possible, but some still insist on paying in cash. Two council members present to collect.
Are the PC's own regulations complied with?	Yes		Regulations being adhered

10. Village Halls			
Are hirings made and recorded appropriately?	Yes		Individual diary-based systems being used (one for each hall). Booking confirmation sent by email
Are payments made and recorded appropriately?	Yes		Diary marked with a P when paid and R when deposit refunded. L means letter sent, if appropriate. Renting prices agreed at time of budget.
Are deposits refunded where appropriate?	Yes		Full system in place – further discussion took place, see note 2
Are diaries and schedules kept and reconciled to invoicing and payments properly?	Yes		As booking payments are received online all payments and refunds balanced with the bank reconciliation
Are staff wages paid appropriately according to village hall activities?	Yes		Staff salaried

11. Bank Reconciliations			
IS there a bank rec for each account?	Yes		Provided prior to the audit allowing time for a full review

Reconciliations carried out at least quarterly?	Yes		Full reconciliations carried out quarterly. Evidenced in minutes.
Any unexplained balancing entries in reconciliation?		No	none

12. Year End Procedures			
Year end accounts prepared on correct accounting basis?	Yes		No changes to the current process.
Bank statements and ledger reconcile?	Yes		Done regularly at meetings and year end reconciliation also seen
Underlying financial trail from records to presented accounts?	Yes		Seen and checked
Has Council agreed, signed and minuted sections 1 and 2 of the Annual Return?		No	Will be signed at June meeting

13. Miscellaneous			
Have points raised at last audit been addressed?	Yes		Yes – link on website now working for the members interests
Has the Council adopted a Code of Conduct after July 2012?	Yes		Same as previous audit
Are all electronic files backed up?	Yes		External hard drive and cloud still being used.
IS GDPR being complied with?	Yes		GDPR always taken into considerations
Do arrangements for public inspection of Council's records exist?	Yes		Available now to check online
Is the Councils gross annual turnover less than £25k (net of VAT) and if so, has it complied with the Smaller Authorities Regulations 2015?		N/A	N/A

14. Special Projects – Cemetery Extension Project			
Was land purchased correctly from NELC?	Yes		Purchase has now completed
Was loan obtained correct and has it been drawn down yet	Yes		£99,000 loan obtained payable over a 10 year period
Has planning permission been obtained? Are there conditions?	Yes		Completed 23/10/24 with conditions being satisfied in February 25

Have all necessary infrastructure works been identified and appropriate quotations obtained?	Yes	Work has started – fencing in place and hedging will be planted when the time of year is best
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Any further additional comments/ notes from Auditor:

Happy with the access granted for everything needed to carry out the audit. Nice to see the Chair pop in too.

- 1) Discussed listing the new cemetery as an asset but even though it was paid for it doesn't have a re-sale value, so agreed it could be kept off the asset register. Also the existing cemetery has never been on the asset register, not that it was paid for.**
- 2) Discussion took place with regards to helping the village hall staff log, report and agree the state of the hall after hirings. A few suggestions made but recommended this be a discussion at a parish meeting.**

Internal Audit carried out by: Mark Peterson

Date: 29/05/2025

Signed:



Report sent to Council – signed by the Clerk :

Report received by Council – signed by the Chairman: