



7 Hodder Close, Chandlers Ford, Hants, SO53 4QD.
Tel: 07762 780605 Email: Tim.Light1@hotmail.co.uk

04 April 2025

The Parish Clerk

Badger Farm Parish Council

P.O. Box no. 2419

Fordingbridge

SP6 9BQ

Dear Christine

Badger Farm Parish Council Internal Audit Report Letter for Council 2024-2025

April 2024 –March 2025

The Accounts and Audit (England) Regulations 2015 (as amended) require all Town and Parish Councils to undertake an effective internal audit to evaluate the effectiveness of their risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

We confirm that we are independent of the Council.

The internal audit work we have carried out has been planned to enable us to give our opinion on the control objectives set out in the Annual Internal Auditor's Report on the 2024-2025 Annual Governance and Accountability Return (AGAR).

We have complied with the legal requirements and proper practices set out in:

- 'Governance and Accountability for Local Councils – A Practitioners' Guide (England)' 2024
- The Accounts and Audit (England) Regulations 2015 (as amended).

The internal audit was agreed to undertaken remotely with the agreement of the Parish Clerk, but consultations have continued by telephone conference call with the Clerk. The Clerk has also provided back-up information for the period April 2024 to March 2025 to support the current governance and financial management position of the Council.

.....

April 3, 2025

Page 2

Further confirmation has been obtained of good practice and compliance with the Transparency Code Regulation 2015 from the Council's website.

A series of independent audit tests were undertaken from the information made available to ascertain the efficiency and effectiveness of these internal controls.

A full check was also carried out on completion of the Annual Governance and Accountability Return (AGAR) for 2024-2025 to ensure that the Parish Council adhere to the requirements for the External Auditor.

Payment approval is obtained and noted that invoices are signed and initialled as evidence of payment approval by the Parish Clerk with payment authorisation to the Bank by two Councillors.

The Parish Clerk confirmed that wet signatures have been obtained from Chairman to sign the Minutes of meetings to confirm the accuracy and provide the evidence of the approval of decisions taken by the Committees and Council.

As part of this internal audit review, we checked that:

Bank Reconciliations

- the financial totals as at 31 March 2024 had been brought forward accurately.
- any un-presented cheques, online payments and un-banked income as at 31 March 2024 were checked and verified in April 2024.
- all direct credits, standing orders, transfers were checked and accounted for the period 1 April 2024 to 31 March 2025.
- all income banked was checked and agreed to bank statements for the period 1 April 2024 – 31 March 2025.
- bank reconciliations for the bank account had been carried out between 1 April 2024 – 31 March 2025, and totals agreed to those shown in the Cash Book.

Income and Expenditure

- all transactions between 01 April 2024 and 31 March 2025 were checked and details were accurate to the records held by Parish Council.
- test checks of the Cash Book totals for April 2024 – March 2025 were checked to payment information to ensure that the details were correctly recorded, and VAT elements extracted correctly.
- Income recorded in the bank account was checked to ensure the details matched to those entries shown in the Cash Book.

VAT

- a VAT reimbursement claim was submitted on the 06 March 2025 for £4696.86 and received on the 31 March 2025 relating to purchases in 2024-2025.

Payroll Information

- the Parish Clerk is contracted to work 20 hours per week. The Council outsource their payroll to a payroll provider to calculate salary and deductions for PAYE and National Insurance Contributions. These are then paid to HMRC on a regular basis.

Risk Assessment 2024-2025

- the risks of the Parish Council were reviewed in March 2025 to ensure that the requirements of the Governance and Accountability for Smaller Authorities in England (Practitioners Guide, March 2024) is met.

Insurance

- the Insurance Cover for the Parish Council is with BHIB. This was reviewed in May 2024 and current level of insurance is sufficient for the size of the Parish Council in 2024-2025.

Asset Register

- we have confirmed with the Parish Clerk that she has reviewed the Asset Register, and this was approved at the March 2025 Parish Council meeting.

Parish Council Minutes

- we checked the details of Parish Council Minutes on the Council website from April 2024 to March 2025 to record points of note for any financial approval or decision that affected the budget of the Parish Council and to ensure that details were correctly shown in the Financial Ledger.

Transparency Code Regulation 2015

- the Council's Website is sufficient to meet the best practice requirements of the Transparency Code Regulations 2015.

End of Year Procedures

A full check was carried out on the end of year documentation provided by the Parish Clerk to confirm the accuracy of the details. This also included the validation of any variances of totals between 2023-2024 and 2024-2025 shown on the AGAR in Section 2 as required by the External Auditor which is over 15%.

All other information provided confirms the accuracy of the details to be shown in Section 2 of the AGAR and therefore we have signed the annual internal audit report on the AGAR for 2024-2025.

April 3, 2025

Page 4

Audit Opinion

The various records and procedures in place for the Parish Council provide an adequate standard of control.

This letter report should be circulated for the next meeting of the Parish Council to inform them of the Internal Audit work carried out. The details of this Internal Audit Report Letter should also be Minuted by the Parish Council.

Finally

As this is my last internal audit review for the Parish Council before handing over to a new Internal Auditor for 2025-2026, I should like to take the opportunity to thank you for your help and support in the time that I have provided the Internal Audit Service to the Parish Council.

I wish the Parish Council well for the future.

Yours sincerely,

Tim Light FMAAT, AATQB - Internal Auditor