



Bayston Hill Parish Council

Internal Audit 2025/26

INTERNAL AUDIT REPORT BAYSTON HILL PARISH COUNCIL

The internal audit was carried out by undertaking the following tests in the AGAR Annual Return for Local Councils in England:

- Checking that books of account have been properly kept throughout the year
- Checking a sample of payments to ensure that the Council's financial regulations have been met, payments are supported by invoices, expenditure is approved, and VAT is correctly accounted for
- Reviewing the Council's risk assessment and ensuring that adequate arrangements are in place to manage all identified risks
- Verifying that the annual precept request is the result of a proper budgetary process; that budget progress has been regularly monitored and that the council's reserves are appropriate
- Checking income records to ensure that the correct price has been charged, income has been received, recorded and promptly banked and VAT is correctly accounted for
- Reviewing petty cash records to ensure payments are supported by receipts, expenditure is approved and VAT is correctly accounted for
- Checking that salaries to employees have been paid in accordance with Council approvals and that PAYE and NI requirements have been properly applied
- Checking the accuracy of the asset and investments registers
- Testing the accuracy and timeliness of periodic and year-end bank account reconciliation(s)
- Year end testing on the accuracy and completeness of the financial statements
- The authority has complied with the publication requirements for the prior year AGAR.
- The authority correctly provided for a period for the exercise of public rights for the prior year AGAR
- The authority published required information on a website up to date at the time of the internal audit in accordance with relevant legislation.
- Review of Assertion 10 (Annual Governance Statement) requirements.

The interim internal audit provides evidence to support the annual internal audit conclusion in the AGAR for local councils.

Conclusion

On the basis of the internal audit work carried out, which was limited to the tests indicated above, in our view the council's system of internal controls is in place, adequate for the purpose intended and effective, subject to the recommendations reported in the action plan overleaf. As part of the internal audit work for the next financial year, we will follow up all recommendations included in the action plan.

JDH Business Services Limited

**INTERNAL AUDIT REPORT
BAYSTON HILL PARISH COUNCIL**

ISSUE	RECOMMENDATION	FOLLOW UP
2025/26 Year end internal audit		
<i>No issues arising – a robust set of accounting records have been maintained with a comprehensive audit trail to supporting information and all internal control objectives have been met. In addition, the council has provided comprehensive evidence for the aspects of Assertion 10 compliance reviewed by internal audit.</i>		
2025/26 Interim internal audit		
1	<p>Only a payment confirmation email was provided for the following payment:</p> <ul style="list-style-type: none"> • 23, Skip Hire, 24/04/2025, Equals Card, Cartwrights, £274.08 net, £54.82 VAT, £328.90 gross 	<p><i>Supporting vouchers/invoices should be secured for all expenditure including VAT invoices to ensure VAT can be reclaimed.</i></p>
2	<p>The following payment could not be identified as approved in the minutes:</p> <p>424, Tractor Servicing & repairs, 05/11/2025, , Tractor Maintenance, Ace Farm Supplies £1,474.63</p>	<p><i>All expenditure should be approved by council in the minutes.</i></p> <p><i>NB Confirmation received that the actual quotation for this work was approved at Full Council on 13/10/25</i></p>