

**Internal Audit Check - Whimble Parish Council
Year Ended 31st March 2025**

1 - Records & Accounting

Commentary

1.1 - Records Maintained	With a continuation of the accounting software the systems and processes are robust, published and maintained. A sample comparison of the bank statements provided to the declared receipts and payments schedules required no further questions.
1.2 - Internal Controls	No change to commentary of prior year. Controls are in place for payments and publicly declared. The budgetary monitoring is maintained and clear. A prime example of the effectiveness of these controls is the transparency of the Santander savings account closure and move of significant funds to a new bank account; this was all recorded in written minutes as approved and reflected accurately in the financial records while agreeing to the statements provided.
1.3 - VAT	It would seem that the VAT reclaim to March 2023 had not been submitted to HMRC. In my report for the 2023 year I did note the claim was prepared but not submitted at that time. Though it was not reclaimed in a timely manner it does not undermine the fact that VAT has been accounted for correctly in the financial statements as the accounting software output indicates. The Clerk has confirmed the submission will go ahead once the final VAT invoices have been collated and that the years ending 2024 and 2025 have been submitted and funds received from HMRC.
1.4 - Asset Register	It is a real positive to see a full review of the asset register having been carried out and items not in existence or use being removed. Properly presenting an accurate and up to date asset register is important so as not to misstate items which the Council has ownership of. Primarily older, low value items have been scrapped in the year. These decisions have also been clearly minuted in April 2025 point 166.
1.5 - Petty Cash	No petty cash transactions to be considered. If purchases of this nature are made then the Clerk reclaims as expenses.

2 - Procedures and Process

Commentary

2.1 - Governance Review	The prior year AGAR has clearly been considered separately and in order by the Parish Council and the exercise for public rights clearly displayed. Due process as expected has clearly been followed and the Minutes of May 20th 2024 reflect this in points 14 and 15.
2.2 - Code of Conduct	All Cllrs should publish their declarations of interest and acceptance on appointment. I note Councillors Lawrence and Olive do not have published registers of interest as of 7th May 2025.
2.3 - Website Maintenance	It is clear that all significant documents and public notices are prepared and published on the Council's website.
2.4 - Review of Minutes	Check of minutes carried out; nothing unexpected discovered.
2.5 - Regular Bank Reporting & Budgeting	The finance documents are a clear item in every month of the year for the Council including bank reconciliations, payment schedules and budget analysis. These are all noted in the minutes for sign off too.
2.6 - Banking	As per the prior year recommendation the Council have consolidated their banking arrangements in an effective manner, the reserves/savings are now with the same bank as the current account and it has made for easier access and control. My only note would be as the balance is reasonably high at the year end then the Council should consider whether it would fall under the FSCS compensation scheme should Unity Bank fall into liquidation or planned spends do not happen in a timely manner. I would suggest the risk is low.
2.7 - Payroll and PAYE / NIC	Evidence of PAYE and NIC considered in receipts and payments files and publicly declared. The Clerk has confirmed they have a written contract.
2.8 - Councillor Membership	The Council has recognised that they have had low numbers of Councillors for the majority of the year it is welcome to know that 4 new co-options have taken place recently and roles and responsibilities intend to be more formally split.
2.9 - Council Policies	As per last year it is clear the protocols and controls considerations are important to the Council and agenda items in the coming meeting (May 2025) are set to review the documents which is consistent with practice introduced in the 2024/25 year.

Recommendations

- On the historic VAT reclaim I would recommend that the Council is explicit in its want to submit annual VAT reclaims in a timely manner and should consider referencing when VAT reclaims are made and the time period they cover. It is appropriate in this instance to state that the missed VAT claim occurred prior to the current Clerk and her work has brought it to light.
- In the course of the audit I recommended that Councillors Olive and Lawrence have their declarations published on the Parish Council website. This has been completed during the course of the audit.

The date of first contact for this audit was 23rd March 2025 and final conversations with the Parish Clerk and Responsible Financial Officer took place on 18 May 2025.

**Tom Hobson
Internal Auditor - Whimble Parish Council
18 May 2025**