

HALSALL

PARISH COUNCIL

INTERNAL AUDIT 2025-2026

YEAR-END REPORT

22nd May 2026

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Internal Audit Forum
THE VOICE FOR LOCAL COUNCIL AUDIT

The internal audit of Audlem Parish Council has been carried out by undertaking the following tests as specified in the SAPPP (Smaller Authorities Proper Practices Panel) Practitioners' Guide 2025. 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
 - Checking that salaries to employees have been paid in accordance with Council approvals and that PAYE and NI requirements have been properly applied
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HALSALL PARISH COUNCIL
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Internal Control Objective	Testing	Recommendation	Outcome (2026-2027 testing) by IA
<p>A. Appropriate accounting records have been properly kept throughout the year.</p>	<p>A1. The accounting system in use is Google which does not enables the production of the Annual Accounting Statement and regular bank reconciliations and is not sector specific. A2. The council's accounting records are accurate, up to date and well maintained.</p>	<p>1. The Council uses Google sheet cashbook and it is recommended that the Council uses sector specific accounting software. It is anticipated that this will become obligatory within the next 2 years and Council is recommended to consider implementing this with immediate effect.</p>	
<p>B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for.</p>	<p>B1. The Council has in place a set of Financial Regulations and Standing Orders and these have been subject to regular review. B2. Standing Orders and Financial Regulations specify the same tender thresholds. B5. The Council has approved the payments in accordance with the requirements of its Financial Regulations. B6. The Council has in place effective controls on the making of payments. This should include the need for two signatures however it is not clear whether dual authorisation of online payments is in place. B5. The Council has approved payments in accordance with the requirements of its Financial</p>	<p>2. Recommended the date of approval and minute references of both the Finance Regs and Standing Orders is added to the policy document and published on the website. 3. It is recommended that the Council make arrangements for dual authorisation of online payments.</p>	

	Regulations.	<p>4. A suitably designed certification stamp should be in place providing for evidencing of these checks and payment authorisation and applied to all invoices.</p> <p>5. Grants awarded should be accompanied by paperwork from the appropriate organisation to confirm that the funds have been received and used for the intended purpose.</p> <p>6. A parish council that does not hold the General Power of Competence should ensure that the statutory power authorising each item of expenditure is clearly evidenced within the payment schedule, minutes, or supporting reports, in order to demonstrate that the council is acting within its legal powers and to provide a clear audit trail.</p>	
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<p>C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</p>	<p>C1. It is not clear whether the council has carried out a risk assessment during the audit year. C2. I have been provided with minute reference where the risk assessment was approved Reference item 6.5 14.5.2026. It is not clear whether a risk assessment was carried out during the audit year 1st April 2025 to 31st March 2026. The risk assessment available on the website is dated 21/07/2024.</p>	<p>7. The Council should consider adding cyber security to the insurance schedule.</p>	
<p>D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.</p>	<p>D1. The Council prepared and formally approved a budget for the year prior to the setting of the precept. D2. The Full Council has considered, approved and adopted the annual precept, for the year subject to internal audit, prior to the statutory deadline of 1st March. D4. The Council has reviewed budgetary reports however there is no evidence that significant variances have been subject to detailed query/review. D5. The precept received during the year agrees to the precept raised by the council. D6. The precept received during the year agrees to central government records.</p>	<p>8. The reports and variances should be published on the website or explained within the minutes.</p>	
<p>E. Expected income was fully received based on correct prices, properly recorded and banked; VAT appropriately accounted for.</p>	<p>E1. VAT was appropriately accounted for.</p>		
<p>F. Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for</p>	<p style="text-align: center;">N/A</p>		

<p>G. Salaries to employees and allowances to members were paid in accordance with the authority's approvals, and PAYE and NI requirements were properly applied.</p>	<p>G1. A formal employment contract is in place for staff. G2. Staff salaries, gross pay due is correctly calculated in accordance with contract terms and conditions. G4. The council has submitted RTI returns to HMRC and made payments due as required. G8. The Council has submitted returns .</p>		
<p>H. Asset and investment registers were complete and accurate and properly maintained.</p>	<p>H1. The Council is maintaining a formal asset register which is updated with any additions or disposals during the year. H2. The Council has not got in place a process for the regular physical verification of its assets.</p>	<p>9. The Council should carry out a physical verification of the assets included within the assets register</p>	
<p>I. Periodic bank account reconciliations were properly carried out during the year.</p>	<p>I1. Bank reconciliations are prepared regularly, for all Council bank accounts. I2. It is not clear whether bank reconciliations are subject to independent review by members and that they are signed and dated as evidence of this review.</p>	<p>10. A member, other than the Chairman, should be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member should sign the reconciliations and the original bank statements (or similar document) as evidence of verification and check against bank statements. It is recommended that this is completed outside of a meeting in order to give due consideration.</p>	

<p>K. If the authority certified itself as exempt from a limited assurance review in the prior year, it met the exemption criteria and correctly declared itself exempt.</p>	<p>N/A</p>		
<p>L. The authority publishes information on a free to access website / web page, up to date at the time of the internal audit in accordance with any relevant transparency code requirements</p>	<p>L1. The Council has published, for the prior financial year, all the information as required by the Transparency Code 2015 as follows: (a) Location of public land and building assets (b) 5 years' AGARs L2. The Publication Scheme is available on the website: Freedom of Information Act 2000 (FOIA): Requires a Publication Scheme and access to information on request.</p>		
<p>M. The authority, during the previous year, correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations.</p>	<p>M1. The date of the announcement of public rights was appropriately made.</p>	<p>11. It is recommended that the Council formally approve the dates for the Period for the Exercise of Public Rights following receipt of the IA report and signing of Section 1 and 2 of the AGAR at a full council meeting.</p>	
<p>N. The authority complied with the publication requirements for the prior year AGAR.</p>	<p>N1. The Council published the Annual Governance Statement on its website together with the Accounting Statements on the website within the proposed timescale N2. The Council published the External Auditor report on its website together with Notice of Conclusion of Audit on its website.</p>		

<p>O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.</p>	<p>O1. There is a published IT policy available on the website in accordance Which complies with Assertion 10 as specified in the SAPPP Practitioners' Guide 2025. O2. The council holds a generic email address.</p>	<p>12. No specific testing has been carried out to ensure the website complies with WCAG 2.2 AA.</p>	
<p>P. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee</p>	<p>P1. The Council met its responsibilities.</p>		