

REPORT OF THE INTERNAL AUDITOR For YEAR 2025-2026

Warden Parish Council

Internal Control	Suggested testing	Tasks to action	Completed
<p>A. Appropriate accounting records have been kept throughout the year.</p> <p><u>AND</u></p> <p>I. Periodic bank reconciliations were properly carried out during the year.</p>	Ensure the correct roll forward of the prior year cash book balances to the new financial year.	Bank statements, cash book checked, in order.	YES
	Check a sample of financial transactions in cashbooks to bank statements.	Sample checked, in order	YES
	Is a bank reconciliation carried out regularly and in a timely fashion? Is it scrutinised and signed off by members?	Monthly bank recs checked. Members consider financial reports at each meeting.	YES
	Where the authority has bank balances in excess of £100k it has appropriate investment strategy. Is the value of investments held summarised on the reconciliation?	N/A	
	Verify the accuracy of the year-end bank reconciliation detail and ensure accurate disclosure of the combined cash and bank balances in the AGAR, Section 2, Line 8.	Bank statement, AGAR checked	YES
	Are minutes signed correctly and meetings quorate?	Sample minute(s) checked, in order.	YES
	Councillor Checks – verify councillors check accounts.	Cllrs consider financial reports at each meeting.	YES
<p>B. The authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and, VAT was appropriately accounted for.</p>	Where debit/credit cards are in use, establish the total monthly and individual transaction limits and ensure appropriate controls over physical security and usage of the cards are in place.	N/A	
	Check that there is effective segregation between the writing of cheques or the setting up of online payments, and physical release of payments.	Cllrs approve payments at bi-monthly meetings. Clerk arranges payment. Dual authorisation recommended.	YES
	Has a Responsible finance officer been appointed with specific duties?	Clerk/RFO appointed	YES
	Review the procedures in place for acquisition of formal tenders and quotes, ensuring they are in line with the SOs and FRs which should be based on the latest version.	COUNCIL DOES NOT CURRENTLY TENDER / QUOTE FOR WORK DUE TO ITS LACK OF RESPONSIBILITIES. STANDING ORDERS ADOPTED (NORTHUMBERLAND ASSOCIATION OF	YES
	Ensure that consistent values are in place for the acquisition of formal tenders between SOs and FRs (frequently different limits are recorded in the two documents)		

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		LOCAL COUNCILS)	
	Review the procedures for receipt of invoices, agreement of invoice detail and confirmation of goods /services delivery and approval for payment. Ideally, a suitably designed certification stamp should be in place providing evidencing of these checks and payment authorisations.	All invoices approved at bi-monthly meetings. Two Cllrs sign each invoice.	YES
	Has VAT on payments been identified, recorded and reclaimed?	Bank statements, cash book checked, in order.	YES
C. The authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Ensure that authority has prepared and formally adopted, at least once annually, an appropriate and comprehensive register of assessed risks, both regular and ad hoc.	Risk register reviewed on an annual basis.	YES
	Ensure that appropriate levels of insurance cover are in place for land, buildings, public, employers' and hirers' (where applicable) liability, fidelity / employees (including councillors) liability, business interruption and cyber security.	Insurance policy checked, mandatory covers in place.	YES
	Review the effectiveness of internal control carried out by the authority.	Internal control statement reviewed annually	YES
	Undertake a risk assessment on the internal auditor.	Internal auditor reviewed on an annual basis.	YES
	Ensure that appropriate arrangements are in place for monitoring play areas, open spaces and sports pitches: such reviews should be undertaken by appropriately qualified external inspectors or, if by officers or members, that they have received the appropriate training and accreditation.	RoSPA carry out annual play area inspection. Council monitor area regularly.	
D. The Precept or rates requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored; and reserves are appropriate.	Ensure that the full Authority, not a committee, has considered, approved and adopted the annual precept in accordance with the required parent Authority timetable	Minutes checked, precept approved by full council.	YES
	Ensure that budget reports are prepared and submitted to Authority / Committees periodically during the year with appropriate commentary on any significant variances	Budget/actual/variances reviewed at bi-monthly meetings.	YES
	Review the budget performance either during the year or at the financial year-end seeking explanations for any significant or unanticipated variances		
	Ensure that the authority has considered the establishment of specific earmarked reserves and, ideally, reviews them annually as part of the budget assessment process. Councils with t/o > £200k should plan for 3 months expenditure in general reserves. Council with t/o <£200k should hold between 3 and 12 months expenditure in general reserves	Earmarked reserves held for election and defibrillator costs.	YES

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	Ensure that the precept received in the accounts matches the prior year submission form to the relevant authority and the public record of precepted amounts .	Amounts match	YES
E. Expected income was fully received based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.	Review 'Aged Debtors' listing to ensure appropriate follow up action is in place.	N/A	
	Allotments:	All allotment rents received during financial year	
	Burials:	N/A	
	Hall hire:	N/A	
	Where amounts are receivable on set dates during the year, ensure that an appropriate control record is maintained duly identifying the date(s) on which income is due and actually received / banked	N/A	
F. Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for	A number of Authorities are now running down and closing their petty cash accounts and using debit / credit cards for ad hoc purchases. Consequently, a "Not covered" response is frequently required in this area.	N/A	
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.	Ensure that, for all staff , a formal employment contract is in place together with a confirmatory letter setting out any changes to the contract.	Clerk / RFO employed with contract.	
	<p>Ensure that appropriate procedures are in place for the payment of members allowances and deduction of any tax liability.</p> <p>The district or unitary parish remuneration panel determine the amount of councillors' allowances annually. – Allowances must be declared to HMRC through the payroll (Employment Income Manual (EIM65970))</p> <p>The chair's allowance can be determined by the town/parish council if other councillors are not receiving an allowance. If they are, it is determined by the principal authority.</p> <p>Check annual minute reference for approval for allowances to be paid</p>	N/A	

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	<p>Ensure that, for a sample of staff salaries, gross pay due is calculated in accordance with the approved spinal point on the NJC scale or hourly rate, if off-scale, and also with the contracted hours, correct pension, net pay, tax, and NI.</p> <p>For the test sample of employees, ensure that tax is calculated appropriately and the tax code is appropriate.</p> <p>Where software is used, ensure it is up to date.</p>	<p>One member of staff who receives bi-monthly payments. All in order</p> <p>HMRC PAYE checked, in order.</p> <p>HMRC PAYE tools up to date</p>	<p>YES</p> <p>YES</p>
	<p>Check the correct treatment of Pension contributions and PAYE. Sight of payslip.</p>	<p>Pension N/A (salary does not meet the threshold).</p> <p>PAYE paid on a quarterly basis.</p>	<p>YES</p>
	<p>For NI ensure that the correct deduction and employer's contributions are applied</p>	<p>Payslip checked, all in order</p>	<p>YES</p>
<p>H. Asset and investment registers were complete and accurate and properly maintained. This section / assurance should be extended to include loans to or by the authority</p>	<p>Ensure that the Authority is maintaining a formal asset register and updating it routinely to record new assets at historic cost price, net of VAT and removing any disposed of / no longer serviceable assets.</p> <p>Physically verifying the existence and condition of high value, high risk assets may be appropriate.</p> <p>Ideally, the asset register should identify for each asset the purchase cost and, if practicable, the replacement/insured cost.</p> <p>Additions and disposals should allow tracking from the prior year to the current</p>	<p>Asset register checked.</p> <p>Asset(s) listed at purchase cost</p> <p>No acquisitions or disposals during the year.</p>	<p>YES</p> <p>YES</p> <p>YES</p>
	<p>Are the assets and Investments registers up to date?</p>	<p>YES</p>	<p>YES</p>
	<p>Land Ownership – land registry title and number included in the asset register. (Advisory)</p>	<p>Council does not own any land.</p>	

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	<p>Do asset insurance valuations agree with those in the asset register?</p> <p>Ensure that the asset value to be reported in the AGAR at Section 2, Line 9 equates to the prior year reported value, adjusted for the nominal value of any new acquisitions and / or disposals</p> <p><u>Fixed Asset Investments</u> Ensure that all long-term investments (>12 months) are covered by the Investment Strategy and reported as assets in line 9 of AGAR.</p>	<p>Yes.</p> <p>Figures correct</p>	<p>YES</p>
	<u>Borrowing & Lending</u>		
<p>J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cashbook, supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded.</p>	<p>Whilst IAs are not required to verify the accuracy of detail to be disclosed in the AGAR, this assertion, together with the expectation of most Authorities, effectively requires IAs to ensure that the financial detail reported at Section 2 of the AGAR reflects the detail in the accounting records maintained for the financial year.</p>		<p>YES</p>
	<p>Ensure that, where annual turnover exceeds £200,000, appropriate records are maintained throughout the year on an Income and Expenditure basis to facilitate budget reporting in that vein</p>	<p>N/A</p>	
	<p>Where appropriate, have debtors and creditors been properly recorded?</p>	<p>N/A</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>IAs should ensure that, all relevant criteria are met (receipts and payments each totalled less than £25,000)</p>	<p>YES</p>	<p>YES</p>
	<ul style="list-style-type: none"> ● the correct exemption certificate was prepared and minuted in accordance with the statutory submission deadline 	<p>YES</p>	<p>YES</p>
	<ul style="list-style-type: none"> ● that it has been published, together with all required information on the Authority's website and noticeboard 	<p>YES</p>	<p>YES</p>
<p>L. The authority publishes information on a website / web page, and complies with the relevant Transparency Code.</p>	<p>The authority's website should be reviewed ensuring all required documentation is published in accordance with the relevant legislation.</p> <p>Transparency – Assertion 10</p> <ul style="list-style-type: none"> ● Councillors' names with committee or external bodies roles. 	<p>YES</p>	<p>YES</p>
	<ul style="list-style-type: none"> ● All AGAR information – notice of rights, AGAR, conclusion of audit. 	<p>YES</p>	<p>YES</p>

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	<ul style="list-style-type: none"> • Governance policies (SO, F Regs, RA) • Agendas, minutes and working papers for meetings. <p>GDPR</p> <ul style="list-style-type: none"> • ICO's model; publication scheme • Privacy Notice • Data Protection Policy • IT Policy - Assertion 10 • Data Audits – regularly conducted. <p>EMAIL</p> <p>Every authority must have a generic email account hosted on an authority owned domain, for example clerk@abcparishcouncil.gov.uk or clerk@abcparishcouncil.org.uk rather than abcparishclerk@gmail.com or abcparishclerk@outlook.com for example.</p>	<p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>Allotment holder personal data held, no other PD held.</p> <p>YES</p>	<p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p>
	<p>Website Accessibility check – Assertion 10</p> <ul style="list-style-type: none"> • Accessibility statement is published on the website <p>(third party documents do not have to be in an accessible format (eg AGAR).</p>	<p>YES</p>	<p>YES</p>
	<p>Minutes – are they properly signed and dated by the chair. What is the storing procedure – should not be stored by members.</p>	<p>YES</p>	<p>YES. Stored in minute file at Clerks house. Older minutes stored</p>

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			at Woodhorn Archives
	Meetings are called correctly with 3 clear working days and a summons sent to all councillors. Notices on website and notice board.	YES	YES
M. The authority has, during the previous year, correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations.	IAs should acquire / examine a copy of the required "Public Notice" ensuring that it clearly identifies the statutory 30 working day period when the Authority's records are available for public inspection.	YES	YES
	IAs may also check whether councils have minuted the relevant dates at the same time as approving the AGAR	YES	YES
N. The authority complied with the publication requirements for the prior year AGAR.	IAs should ensure that the statutory disclosure / publication requirements in relation to the prior year's AGAR have been met as detailed on the front page of the current year's AGAR.	YES	YES
O. Trust funds (including charitable) - the Council has met its responsibilities as a trustee	that the council is the sole trustee on the Charity Commission register	N/A	

<p>I confirm that I have examined the relevant accounts as presented to me by the Responsible Finance Officer.</p> <p>The accounts are in good order and are managed in a timely and responsible manner. Regular bank reconciliations are presented. They are the Council's best tool to monitor financial management of its accounts. Monthly reports to Council of receipts and payments are in line with legislation.</p> <p>I hereby state that I am satisfied with Warden Parish Council's conduct of its financial affairs, its accounts procedures and its financial reporting.</p>	<p>Signed: Sarah Bertram</p>	<p>Date: 20th April 2026</p>
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Warden Parish Council