

# Holme Abbey Parish Council

## Annual Internal Audit Report together with Annual Governance and Accountability Return for the year ended 31 March 2026

I confirm that the Internal Audit for the period 1 April to 31 March 2026 has been undertaken and make the following comments and/or observations/recommendations

### 1. Bookkeeping

A computer-based system of bookkeeping is in place and all relevant invoices are retained in order and properly marked to provide a satisfactory audit trail. The system which was installed last year has provided improved reporting and reduced the time required for the Internal Audit and this is reflected in the number of hours charged. The cash book and bank statements are reconciled monthly.

At least once each quarter and at each financial year end a Member, other than the Chairperson **must sign and date** the bank reconciliation and relevant bank statements (Financial Regulations 2.2).

VAT is properly recorded, where necessary, and returns coincide with the year end

### 2. Standing Orders/Financial Regulations/Payment Control

Copies of Standing Orders and Financial Regulations were available for review. All payments are supported by relevant vouchers and authorised for payment by the council and minuted and, where used, cheques signed by two signatories

Whilst recognising the rural nature of the area and that the majority of suppliers use the correct title of the parish council and submit invoices in that name there are still a few who need a reminder. This is to ensure that the invoices paid are properly the responsibility of Holme Abbey PC.

An original set of Minutes, properly approved, numbered and signed, is held

### 3. Budgetary Controls

Proper control is exercised

### 4. Income Controls

Income received is promptly banked

### 5. Banking

Accounts are maintained with Unity Trust Bank

Careful control of all passwords should be exercised when the Clerk leaves the employment of HAPC

## **6. Petty cash**

Petty cash is held by the Clerk in a locked tin box and kept in a secure place

## **7. Payroll**

A payroll provider is used and the year-end returns have been submitted.

## **8. Asset Control**

An up to date asset register is held

The value of assets should be reviewed/written down annually whilst insurance cover for replacement value should be held

## **9. Policies and Procedures**

The majority of policies and procedures are reviewed at the first meeting in May each year and are annotated with a) the date agreed/confirmed b) the date to be reviewed c) the date of approval by Members and signature of the Chairperson.

At review it is not necessary to print copies of each Policy – if there are no changes then the existing policies can simply be redated and signed by the Chair of the meeting for confirmation. The summary of amendments attaching to each policy is good practice

Where standard policies are adopted (for example those supplied by NALC/SLCC), then the name of the particular parish council should clearly be shown.

## **10. Risk Management**

A satisfactory form of Risk Assessment and Management is held and a review of insurance undertaken

The equipment in the playpark is inspected annually by RoSPA and a system of regular checks by a Member has been implemented to ensure that any faults are identified as soon as possible and appropriate action taken. A formal system is in place to record these inspections.

The provision of a risk assessment before the East Egg hunt is welcomed

## **11. Governance**

Members are reminded of their obligations under the Code of Conduct. It is good practice, by way of reminder, to have a note the obligations in the ‘footer’ of all agenda papers

Proper records are maintained of Members’ Interests and Declarations of Acceptance of Office

A record of Members’ Attendance at meetings of full council is maintained

## 12. Human Resources

Job grade and salary are now paid in accordance with recommendations of SLCC/NALC.

The Clerk is appraised annually

## 13. Recommendations

It is important that systems are robust and the following recommendations/observations are made for action/consideration as necessary:

- When using a loose leaf system each and every sheet of Minutes **must be signed/initialled and dated** by Chairman to provide a secure record of proceedings
- It is good practice that a monthly bank reconciliation is undertaken and this should be signed and dated by a Member as part of Minutes
- A schedule of agree standing order payments/Direct Debits should be held, signed by by two Members and confirmed each year (suggest May)
- Similarly the Asset Schedule should be approved each year by Members and signed by the Chairman
- Confirmation should be sought on the use of ‘Chairwoman’ within the Local Government Act 1972 (as amended). It is generally more acceptable to use either ‘Chair’ or ‘Chairperson’ for obvious reasons
- Generally planning applications are referred to Members at meetings but where this is not possible (either time scales or agreed dates of meetings) a published policy is in place. Where this dispensation has been used it is recommended that it is noted by Members at the next available meeting and minuted accordingly
  - Note – the decision should not be left to the Clerk (at least one member should be consulted but preferably more than one, if possible)

## 14. Annual Audit

The Annual Governance and Accountability Return and Annual Internal Audit Report has been completed has been completed properly and is ready for consideration and approval by Members in preparation for submission to the appointed auditor

Jo Cornah Wade is to be commended on the improvements that are now in place in the administration of Holme Abbey Parish Council since she became Clerk & RFO

David Johnson  
Internal Auditor

19 April 2026