**CAPALC Ltd**
The Norwood Building
Parkhall Road
Somersham
Huntingdon
PE28 3HE
Tel: 07507 520849
www.cambs-peterborough-alc.gov.uk
ceo@cambs-peterborough-alc.gov.uk

## Cambridgeshire & Peterborough Association of Local Councils

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20th May 2025

**By Email**

Melbourn Parish Council
Melbourn Hub
30 High Street
Melbourn
SG8 6DZ

Dear Chairman and Cllrs

**Melbourn Parish Council Internal Audit: End of Year Visit 2025**

Following my recent visits to Melbourn Parish Council on 26th March and 19th May 2025, I confirm I met with Alexandra Coxall, Abigail Williams and Shelley Coulman to complete the council's Internal Audit for 2024/25.

Please find enclosed my report and recommendations following the visit. In line with proper practices, the Council should formally receive this report (as it does for the External Audit) and minute the plans it has to set out any improvements required and remedial actions to be taken.

Yours faithfully

**V Taylor PSLCC**
Internal Auditor

# INTERNAL AUDIT CHECKLIST 'YEAR END 2024/25'

**Name of Authority:** Melbourn Parish Council ..... **Date(s) of Audit: 26th March 2025 & 19th May 2025**

**Audit Completed By:** V Taylor ..... .....

| AGAR Certificate Reference | Work Completed by CAPALC | Comments | Recommendations |
|---|---|---|---|
| A. Appropriate accounting records have been properly kept throughout the year. | During our visit we have reviewed the accounting system and checked that the information is recorded accurately and promptly. This means we have reviewed the cashbook, examined a sample of financial transactions, ensured bank reconciliations (see item I) are carried out, etc. | All accounting records were found to be in good order.<br><br>The council is in the process of moving from EDGE to Rialtas accounting software.<br><br>Monthly bank reconciliations are carried out and these are reported to meetings. | None<br><br>**Council response**: |
| B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT | We have reviewed Financial Regulations and Standing Orders ensuring they are adequate and if model documents are used, they are up to date.<br><br>We have also reviewed procedures for approval of invoices and | The council has adopted the most recent model Standing Orders from NALC.<br><br>The council should consider updating its Financial Regulations in line with the | None<br><br>**Council response**: |

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| appropriately accounted for. | payments, checked recording of VAT and that VAT is claimed where appropriate. If debit/credit cards are held, we have established the limits and ensured there are controls in place for usage. | model document which is now available from NALC.<br><br>Procedures for making payments are in line with proper practices and VAT is properly accounted for.<br><br>The council is making use of a Lloyds Credit Card. | |
| C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these. | We have checked to see that the Council has a Risk Register in place. If in place, we have checked to see if the Council has considered all significant risks, appropriate levels of insurance are in place, arrangements are in place for monitoring public open spaces, etc. and that a process of internal control is in place. | The council has a multitude of risk assessments in place, including a financial risk assessment. We would suggest all risk assessments are reviewed at least annually.<br><br>Appropriate insurance cover is in place, but we would recommend the level of cover for the war memorial is checked considering the most recent valuation of this.<br><br>There are arrangements for regular inspections of play areas.<br><br>The council should make plans to review its data protection policies, HR policies and the record retention policy.<br><br>Internal control is covered by regular reporting to council or committee along with regular | None<br><br>**Council response**: |

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| | | review of the financial risk assessment and budget. | |
| D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate. | We have checked that the Council has considered its income and expenditure requirements to formally adopt an appropriate budget. That the Council has reviewed performance against the budget throughout the year, has established Earmarked Reserves which are reviewed annually during the budgetary process. That the precept request is submitted to the relevant authority on time and matches the receipt in the accounts. | The council prepared an appropriate budget to inform the precept process, and this budget is regularly reviewed throughout the year.<br><br>We would suggest the budget and precept are separated into two separate agenda items/resolutions in future.<br><br>The precept was submitted in good time and matches with the receipt shown. We have confirmed the figure corresponds with Box 2 of the AGAR. | None<br><br>**Council response**: |
| E. Expected income was fully received based on correct prices, properly recorded and promptly blanked; and VAT | We have checked that expected income has been received and checked that there are no obvious omissions. Income may include allotments, cemeteries, hall hire, | Income records are thorough and well kept.<br><br>Invoices are sent for all fees due, and the council will shortly be | None |

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| appropriately accounted for. | leases, or other revenue streams depending on the council. We have checked that there are appropriate and follow ups are made for 'aged debtors'. | making use of Rialtas to make tracking of these easier. | **Council response**: |
| F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for. | If held, we have considered the amount of petty cash held in line with the number of transactions made during the year. | The council holds minimal petty cash and the records for this are in good order. | None<br><br>**Council response**: |
| 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. | We picked one month and tested the payroll to ensure the correct deductions have been made, payments made on time and correct amounts. | The salary records in our sample were found to be in good order.<br><br>There is ample evidence of payments being made to HMRC. | None<br><br>**Council response**: |
| H. Asset and investment registers were complete and accurate and properly maintained.<br><br>*This section/assurance should be extended to include loans to or by the authority.* | We have checked to see that the Council has a formal asset register in place and that it is up to date with any acquisitions and disposals. If there are long-term investments, we have checked to see that an Investment Strategy is in place. | The council's asset register is up to date, regularly reviewed and includes insurance values and locations.<br><br>We would advise that the council ensures this review takes place inside of each financial year. | None<br><br>**Council response**: |
| I. Periodic bank account reconciliations were | | Bank reconciliations are completed monthly. We have | None |

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| | properly carried out during the year. | We reviewed a selection of bank reconciliations throughout the year including year end. | confirmed the year end bank reconciliation tallies to AGAR box 8. | **Council response**: |
| 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. | We have reviewed the accounting statements, or the year ended 31st March 2025 to ensure that they have been prepared correctly on a receipts and payments basis and are adequately supported. | The accounts have been properly prepared and agree to the cashbook.<br><br>The accounts have been prepared on a I & E basis and are supported by proper records.<br><br>The PWLB statement was reviewed and confirmed against Box 10 of the AGAR. | None<br><br>**Council response**: |
| 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. | We have confirmed that the Council was subject to limited assurance review in 23/24. | The council had a limited assurance review last year and the external auditors report was reviewed as part of this process. | None<br><br>**Council response**: |
| L. | The authority publishes information on a free to access website/webpage, up to date at the time of the internal audit in | We have reviewed the Council's website to confirm it is meeting the requirements of the relevant regulations. | The existing website is up to date and contains the required information.<br><br>The council is using a .gov | None<br><br>**Council response**: |

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| accordance with the relevant legislation. | | domain for email and the website. | |
| 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. | We have reviewed the notice announced during the summer of 2024 along with Sections 1 and 2 of the 2023/24 AGAR. We have obtained evidence that the required documentation has been published on the Council's website. | The council properly provided for the period for the exercise of public rights. The notices for this are correctly completed and still available on the council's website. | None<br><br>**Council response**: |
| N. The authority complied with the publication requirements for the prior year AGAR. | We have reviewed the documentation the Council published for the 2023/24 AGAR was compliant with regulations. | The council complied with the publication requirements for the 23/24 AGAR, including a Conclusion of Audit notice, and these documents are still available on the website. | None<br><br>**Council response**: |
| O. Trust funds (including charitable) – the council met its responsibilities as a trustee. | We have checked that the Council is not responsible for any charities. | NA | None<br><br>**Council response**: |

**Notes**

If we feel you should be considering a response to your Assertions under Section 1, we have commented under our column 'Recommendations'.

**Actions from Internal Audit**

- Update of Financial Regulations inline with NALC model document.
- Highlighted level of cover for the war memorial should be reviewed.
- HR policies to be reviewed/removed/updated.
- Formally report the budget and precept as separate agenda items.
- Bring forward asset register review to ensure resolution within the financial year.