Healing Parish Council

Internal Audit Checklist – May 2026

For audit for fy 25/26

Name of Council	**Healing PC**	**Name of Clerk**	**Kathy Peers**
No of Councillors	**10 seats**	**Name of RFO (if not Clerk)**	
Quorum	**3**	**Precept**	**£80,000**
Electorate	**2676**	**Gross budgeted income**	**£120,000 inc. precept**

1. Book Keeping			
Ledger maintained and up to date?	Yes		Cashbook provided prior to the audit, giving plenty of time for inspection and prepare any questions.
Arithmetic, correct?	Yes		Using excel and formula in place for all arithmetic.
Evidence of Internal Control?	Yes		
VAT evidence, recording and reclaimed?	Yes		Claimed in May
Payments supported by invoices, authorised and minuted?	Yes		Seen by reviewing the minutes that this is adhered to.
S137 separately recorded and within limits?	Yes		£1,377.92 paid
S137 expenditure of direct benefit to electorate?	Yes		Grass Cutting (£800); Defib (£385); Remembrance printing (£68.33); Wreath (£24.99) & Gradelelys (£34)

2. Due Process			
Standing Orders adopted?	Yes		Agreed May 2025
Standing Orders reviewed at Annual Meeting?	Yes		May 2025
Financial Regulations adopted?	Yes		Discussed at May meeting and noted a new document will be circulated for approval
Financial Regulations tailored to Council?	Yes		No changes
Adequate internal controls for payments?	Yes		Payments still being made using online banking app. All payments still discussed and minuted at meetings
List of members interests held?	Yes		Available on website & NE Lincs website
Agendas signed, informative and published with 3 clear days notice?	Yes		Emailed, displayed on noticeboard, and made available online

Purchase orders/confirmations raised for all expenditure?	Yes		Continuing with the best practice of having multiple quotes for works and names removed for complete fairness and integrity.
Legal powers identified in minutes and or cashbook?	Yes		May 2025
Committee Terms of Reference and reviewed?	Yes		Continuation of previous years agreement.

3. Risk Management			
Does scan of minutes reveal any unusual activity?		No	Had the time to review the minutes online, before the audit was carried out. Noted nothing of concern
Annual risk assessment carried out?	Yes		May 2025
Insurance cover in place and appropriate?	Yes		Renewed with same company
Evidence of annual insurance review?	Yes		May 2025
Internal financial controls documented and evidenced?	Yes		Easier to confirm using online banking. No cash handling takes place other than at events where this is not always possible. Rules in-place for any cash handling. £100 cash float held
Minutes initialled each page and overall signed?	Yes		Random check of the minute folder
Regular reporting of bank balance?	Yes		Bank statements continue to be emailed out with agenda prior to and then discussed at meetings.

4. Budget			
Annual budget to support precept?	Yes		Emailed for inspection – same format as previous years
Has budget been discussed and adopted by Council?	Yes		All covered in minutes
Any reserves earmarked?		No	Nothing specific
Any unexplained variances from budget?		No	None
Precept demand correctly minuted?	Yes		Seen in minutes

5. Payroll - Clerk			
Contract of employment?	Yes		No changes to the Clerk and no changes to contract
Tax code issued?	Yes		BR tax code used as Clerk using her allowance with another parish
PAYE/NI evidenced?	Yes		HMRC PAYE software being used.

Has Council approved salary paid?	Yes		Rate of pay set and agreed via Personnel Committee.
Any other payments reasonable and approved by Council?	Yes		Standard travel allowance in place.

6. Payroll - Other			
Contracts of employment?	Yes		All in place
Does Council have public liability cover?	Yes		Continuation with specialist company
Tax codes used?	Yes		Using the codes provided by HMRC
Minimum wages paid?	Yes		All on NLW
Pension obligations met?	Yes		Even though staff are not earning enough for compulsory rights, they still invited to join with PC making a small contribution
Complaints procedures in place?	Yes		Published on parish website

7. Asset Control			
Does Council keep a register of all material assets owned?	Yes		Seen at the audit
Is asset register up to date?	Yes		May
Value of individual assets included?	Yes		Updated and new items added
Inspected each year and reviewed?	Yes		Carried out annually
Records of deeds, articles etc. kept?	Yes		All kept

8. Village Hall			
Are hirings made and recorded appropriately?	Yes		Diary used for bookings, shown at audit
Are payments made and recorded appropriately?	Yes		Payments levels agreed as part of budget meeting. Still using same letter codes to show payments, letter and refunds.
Are deposits refunded where appropriate?	Yes		Can be seen in the diary
Are diaries and schedules kept and reconciled to invoicing and payments properly?	Yes		Discussed at monthly meetings
Are staff wages paid appropriately according to village hall activities?	Yes		Salaried

9. Bank Reconciliations			
IS there a bank rec for each account?	Yes		Statements sent out for monthly review
Reconciliations carried out at least quarterly?	Yes		Confirmed by monthly minutes
Any unexplained balancing entries in reconciliation?		No	Nothing unexpected

10. Year End Procedures			
Year-end accounts prepared on correct accounting basis?	Yes		No changes to current process.
Bank statements and ledger reconcile?	Yes		Carried out and evidenced via the minute review.
Underlying financial trail from records to presented accounts?	Yes		All seen and simple to follow.
Has Council agreed, signed and minuted sections 1 and 2 of the Annual Return?		No	Will be signed at the next meeting

11. Miscellaneous			
Have points raised at last audit been addressed?	Yes		Playground still ongoing with reviews.
Are all electronic files backed up?	Yes		Cloud
IS GDPR being complied with?	Yes		Being considered at all times
Do arrangements for public inspection of Council's records exist?	Yes		Available online
Is the Councils gross annual turnover less than £25k (net of VAT) and if so, has it complied with the Smaller Authorities Regulations 2015?	Yes		Not applicable

Any further additional comments/ notes from Auditor:

Continuation of best practices makes annual audit easy to carry out. Nice to Chair present at the audit too.

Internal Audit carried out by: Mark Peterson

Date: 20/05/2026

Signed:

Report sent to Council – signed by the Clerk:

Report received by Council – signed by the Chairman: