



Simon Thwaites
Parish Clerk
Sandridge Parish Council
Marshalswick Community Centre
The Ridgeway
St. Albans
Herts
AL4 9TU

18th May 2025

Dear Simon,

Year End Internal Audit

An audit was carried out by Kevin Rose on Monday 28 April 2025. This was the Year End audit following on from the interim audit carried out on 18 November 2024.

The audit was undertaken using the standard IAC Audit Checklist, which we use for all Local Councils, which has 208 items. A total of 83 items were tested during this audit in addition to the 125 items tested and checked during the interim audit process. All items on the checklists were tested during the year.

The following 'Internal Control Objectives' of the Annual Internal Audit Report (part of the AGAR) were checked and confirmed as being Not Applicable to your Council for this financial year.

- Exemption from External Audit (Box K)
- the Transparency Code (for Smaller Authorities) (Box L)
- Trust Funds (Box O)

(Please refer to the explanation of my 'Not Covered' responses on Page 3)

Areas subject to audit were;

- the Payment system (Box B)
- Risk and insurance (Box C)
- Income billing, collection and VAT (Box E)
- Payroll (Box G)
- Assets and investments (Box H)
- Bank reconciliations (Box I)
- Accounting Statements (Box J)

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Summary of tests undertaken during this audit

Positive response	46
Negative response	3
Not Applicable to your Council	34
Total tests carried out	<u>83</u>

Of the 49 applicable items tested a Positive response was obtained in respect of 46 tests. There were 3 Negative responses identified and 4 Observations were made, details of which are set out in the attached Year End Internal Audit Observations.

Summary of tests undertaken for the financial year (including interim audit work)

Positive response	154
Negative response	7
Not Applicable to your Council	47
Total tests carried out	<u>208</u>
Tests not carried out	Nil

I am pleased to advise that no 'Non-Compliances' were identified that would give rise to a negative response on the statutory Annual Internal Audit Report.

Based on the Internal Audit testing carried out I am satisfied that the Council's Internal Controls were effective for the 2024/25 financial year.

I would like to express my thanks for the assistance and hospitality provided to me during my audit.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'K. Rose'.

Kevin Rose ACMA
Director

Sandridge Parish Council Financial Year 2024-25

Year End Internal Audit Observations



IAC Audit and Consultancy Ltd
Audit date: 28 April 2025

F Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Petty cash balances are regularly reconciled to cash in the petty cash tin.	To Check	There is a difference of approximately £60 between Sage balance and the physical cash. It is understood that this is a longstanding issue.	The Council to review the balance on Sage and the physical cash balance and, if necessary, post an adjustment in Sage to bring the two balances into line.	Medium	

G Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	The Council has published the details of Members Allowances paid in accordance with Regulation 15 (3) of Members Allowances Regulations 2003.	No	The Council has not published the details of Members Allowances paid in accordance with Regulation 15 of Members Allowances Regulations 2003.	The Council to note the publication requirements in respect of Members Allowances and to ensure that details of allowances paid are published in accordance with the Regulations.	High	

H Asset and investments registers were complete and accurate and properly maintained.

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Continuing existence of assets is checked on a regular basis (when was last check?)	No	Continuing existence of assets is not checked on a regular basis.	The Council should put in place a process for the regular review and verification of its assets. Assets of a high value or which may be particularly vulnerable should be subject to verification at more frequent intervals.	Medium	

J *Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.*

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Audit Extended Trial Balance agrees to draft Accounting Statements	No	The draft values stated for the 2024/25 Accounting Statements do not agree the Sage Trial Balance. The difference previously noted on the opening balance, reported both at year end 2024 and at the 2024/25 Interim Audit has still not be rectified. A further difference of £31 was noted on the 2024/25 Box 6 value. The working schedule provided for the computation of the Accounting Statements did not make reference to the Sage Trial Balance and it is not clear that this has been done when preparing the Accounting Statement values.	The Council to note that the previously reported difference between the AGAR Accounting Statement and Sage has still not been resolved. The Council to note that a formal reconciliation of the Accounting Statement numbers to Sage does not appear to have been carried out (a copy of the Internal Auditors workings has been provided to the Clerk)	High	

Internal Audit 'Not Covered' Responses

Internal Control Objective	Reason for Not Covered Response
K: If the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")	The reason for the "Not Covered" response for Objective K is that it is not applicable to your Council as the Council did not certify itself exempt from a limited assurance review for the relevant financial year.
L: The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	At present no specific guidance has been provided to Internal Auditors as to what the 'relevant legislation' is in respect of Control Objective L. We have tested against the requirements of Statutory Instruments 2015/480 The Local Government (Transparency Requirements) and 2015/494 The Smaller Authorities (Transparency Requirements), neither of which apply to your Council. The publication requirements of Statutory Instrument (2015/234) The Accounts and Audit Regulations are covered in our responses to Internal Control Objectives M and N. The Council should note that we have not considered any additional publication requirements that may apply, for example those set out in the ICO Model Publication Scheme for Parish Councils.
O: (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee	The reason for the Not Covered response for Objective O as it is our understanding that the Council does not act as Trustee.

