

## BRADFIELD PARISH COUNCIL INTERNAL AUDIT 2024/25

### A Proper Bookkeeping

- Is the cash book maintained and up to date?  
*Yes. Cash book is updated monthly using Rialtas Alpha package.*
- Is the cash book arithmetic correct?  
*Computerised accounting system*
- Is the cash book regularly balanced?  
*Computerised accounting system*

### B Financial Regulations

- Has the council formally adopted standing orders, financial regulations, and publications scheme?  
*Yes. Standing Orders approved at meeting 7 May 2024 (minutes 15.24xxv). New model Financial Regulations approved at meeting 8 October 2024 (minutes 104.24). Publications Scheme on the website says it was reviewed at meeting 7 May 2024 but seems to have got missed off the minutes.*  
*At the time of internal audit these were the versions on the website but I understand had been reviewed at the meeting the evening before – 6 May 2025. I discussed some potential changes to FR / SO with the clerk, as outlined in this section B, which will be brought to council at a later meeting.*
- Has the council adopted other policies and procedures?  
*Yes. The council has a suite of policies on the website [Policies & Procedures | Bradfield Parish Council](#) most of which were reviewed at the meeting on 7 May 2024 (minutes 15.24i to xxviii).*
- Has a Responsible Financial Officer been appointed with specified duties?  
*Yes. New clerk employed from 12/12/24. The clerk is the RFO – specified in the job title and description of responsibilities.*
- Have items or services been procured in accordance with Financial Regs?  
*Financial Regulation 5.15 specify clerk or councillor can spend up to £200 (inc VAT) using the card, clerk has delegated authority to approve up to £500 (ex VAT) for items within budget and up to £2000 (ex VAT) with the chair. FR 5.6 requires tenders for spend estimated over £60,000 (inc VAT). *This does not agree with SO 18a v which requires a tender process for expected spend over £25,000 (presumed ex VAT although not stated).* FR 5.7 requires use of Contract Finder (Public Contracts Regulations) for contracts over £30k inc VAT which agrees with SO s18 assuming the threshold of £25k excludes VAT. FR 5.8 requires 3 fixed price quotes for contracts between £3,000 (inc VAT) and £30,000 (inc VAT). *There are no FR instructions for transactions between £30k and £60k (inc VAT) as that band is outside of requirements for fixed price quotes and tenders.* FR 5.9 requires 3 estimates for contracts between £1500 and £3,000 (inc VAT).*  
*There are no individual payments of over £3000 in the year thereby requiring 3 fixed price quotes. The minutes of the meeting 3 September 2024 refer to drawing up a spec for grass cutting, cancelling existing contract and seeking new quotes / tender (minute 81/24b). The contract value is around £14,000 per year. The 3 grass cutting quotes were discussed in closed session in January 2025 (minute 186/24), along with 3 quotes for play equipment which was purchased in April 2025. During the year estimates and quotes were discussed for bins and benches (202/23a & b), beacon plaque (44/24e), seating at cemetery (45/24b, 125.24a), trees and tree works (58/24, 81/24d, 103.24d), small maintenance jobs (64/24, 85/24, 105.24g), play equipment and repairs (79/24, 81/24, 103.24c, 194/24a), defibrillators (160/24), year end software support (181/24), HNS (182/24), VE Day costs (194/24d).*

- Are payments in the cash book supported by invoices, authorised and minuted?  
Yes, *Minutes include a Financial item that, up to November 2024, shows the amounts agreed for payment (payee name, net, VAT, gross and description). When invoices are received they are first checked for accuracy and that the service / product has been received / completed. The invoice is saved to the Sharepoint and added to the 'Payments for approval' list (a word document which has 2 additional columns for signatories to place their initials, and 2 further columns for confirmation of Unity set up and Rialtus posting. Just before the meeting councillors are emailed the payments list and a link to the Sharepoint location so they can view the documents (payments list, source documents, bank statements and recs, Rialtus reports). At the meeting hard copies of the Payments list and source documents are initialled and the list is approved by full council. The clerk sets up the on line payments and two councillors logs on to approve.*  
*FR 6.8 requires a detailed list of approved payments to be published within, or as an appendix to, the minutes. This was done up to and including November 2024. I recommend the council looking at this financial regulation.*
- Has VAT on payments been identified, recorded and reclaimed?  
VAT on payments is recorded in account code 515 on Rialtus, and VAT reclaims on account code 115. During the year reclaims totalling £4582.62 have been received and cover the period July 2023 to September 2024. A VAT reclaim for the period October 2024 to March 2025 totalling £2289.36 was submitted on 03/04/25. There is VAT on some of the expenses paid on the Equals card: these are included in the VAT on payments account (515) although do not appear in the VAT column on the payments list, in respect of the top up.
- Is s137 expenditure separately recorded and within statutory limits?  
Yes. s137 expenditure limit in 2024/25 is £13523.31 (1251 x £10.81) so amount paid under s137 is within limits. Amounts approved by the council total £21 (wreath for RBL minute 105/24f).

## C Risk Management

- Does a scan of the minutes identify any unusual activity?  
*Change of bank account (205/23e), parking issues and overflow parking project (56/24, 78/24, 86/24, 109/24), Play Equipment project (79/24d, 124/24), D-Day Celebrations and Beacon lighting (10/24c), Change of clerk (116/24, 129/24), VE Day event planning (110/24, 194/24). War memorial issues (101/24b) and EMR held to cover cleaning and repairs.*
- Do the minutes record the council carrying out a risk assessment?  
Yes. *Financial Risk Assessment, Recreation Ground risk assessment, Cemetery risk Assessment, memorial management assessment and H&S policy were approved at the meeting on 7 May 2024 (minutes 15.24i to xxviii). At the meeting on 4 February 2025 a Working from Home risk assessment was approved (minute 177/24). Litter picks were undertaken 12/10/24 (minute 90/24) and 15/03/25 (minute 197/24) and they have a separate risk assessment and safety briefing process. There was a risk assessment for the D-Day event (using the Coronation Event template minute 148/23c). The VE Day event (this coming week) has a risk assessment covering the beacon lighting and fire safety measures. The clerk will contact the insurer about the beacon lighting. The insurer may just want to see the risk assessment rather than requiring an additional premium.*
- Is insurance cover appropriate and adequate?  
Yes. *The council approved year 2 of a 3 year policy with BHIB, expiry 03/07/26, at its meeting 4 June 2024 (minute 31/24e). Cover is for Property Damage, Money, Employers Liability, Public and Products Liability, Fidelity Guarantee, Libel and*

Slander, Officials Indemnity, Personal Accident and Legal Expenses. The council owns the Village Hall (which is included under the Property Damage Cover) which is leased to an independent charity, Bradfield Village Hall registered charity number 1187316 (a CIO registered 13/01/2020). *The lease is dated July 2023 and is a full tenant repairing and insuring lease for 35 years at a peppercorn rent, with the tenant responsible for insuring the building. It is not the parish council's responsibility to ensure the building, but it would want to be satisfied that cover is sufficient for a total loss, and that the charity has a robust fire safety assessment in place.* At the meeting on 4 June 2024 the council agreed to get the building valued on a total loss valuation to enable a review of insurance cover (minute 31/24e). *I recommend asking to see the charity's insurance cover of the building and contents, and the fire risk assessment.*

- Are internal financial controls documented and regularly reviewed?  
An Internal Controls Procedure Document was reviewed at meeting 7 May 2024 (minutes 15.24xii). The document brings all the Financial Controls together in one place, extracted from Financial Regulations and the wider risk assessment. *It is mostly a repetition of information in the other documents and could say more about the excellent processes that the council has in place to evidence scrutiny.* The great thing included in the document is the appointment of a councillor as an 'internal control officer' to check the bank reconciliations and to undertake an independent review as minuted at the meeting 4 March 2025 (minute 196/24). It doesn't specifically mention the use of Rialtus or Sharepoint (both great systems) so I assume has not been reviewed in depth for some time. The ability for councillors to have up to date access to financial information each month is a great internal control (assuming the information is scrutinised of course).  
Payment of invoices – There is evidence of scrutiny with initials on the hardcopy payments lists and source documents.  
Bank mandate and authority – Unity Trust mandate has 3 authority levels to view, set up and authorise. Clerk has authority to view and set up. 3 councillors have authority to release payments. 1 other councillor has authority to submit payments.  
Review of bank recs and evidence of scrutiny against the bank statements – Bank reconciliations are minuted as signed at each meeting. The requirement of FR2.6 that the bank reconciliation and bank statement are signed each quarter by a councillor who is not the chair or a signatory, is being undertaken by the appointed internal control officer.  
Monitoring of actual v budget – The Finance Committee meets 3 times a year and does an excellent job of monitoring actual expenditure against budget, monitoring reserves and making recommendations about the precept.  
Internal controls over salary payments – The previous clerk managed his own payroll. Backpay calculations were checked. A payroll provider was contracted at the meeting on 3 December 2024 (minute 141/24) which adds a level of control.  
Cash handling – No cash is handled and instead a pre-charged card is used very effectively with good controls and oversight.  
Project management and Safeguarding assets – The clerk keeps an excel spreadsheet Progress Report with full details of issues raised, actions taken and work ongoing. A summary word report is presented at each meeting. PSS Live software is used to record inspection of the play equipment / recreation area although some issues in using the software were recorded at the meeting 3 September 2024 (minute 81/24e). Until November 2024, the inspections were a standing item on the agenda, followed up with action to correct defects (e.g. minutes 44/24g 3 items flagged for attention). The clerk advises that the inspections continue (shared between the clerk and a councillor and are all recorded on the app).



- Are all risks identified and actions undertaken to mitigate risks?  
The Risk Management Scheme has columns for Subject, Risk identified, Likelihood H/M/L, Management / Control Measure, and Review /Assess /Revise. It is organised into 2 sections for Financial & Management and Physical Equipment or Areas, and also includes a Risk Schedule section listing items to be inspected or tasks to be undertaken, frequency and date of last review. I really like the Risk Schedule checklist showing a time plan for risk mitigating actions. Minutes evidence that other mitigating actions are being undertaken: ROSPA inspection reports and follow up actions (28/24, 44/24f), cemetery memorial inspection (91/24), training (89/24).

## D Budgetary Controls

- Has the council prepared an annual budget in support of its precept?  
Yes. The Finance committee met on 4 December 2024 to Review actual YTD against budget and recommend a precept to full council (FC15/24). The clerk prepared working papers in excel as a move away from splitting the 2025/26 precept and budget requirement by separate cost centres. The spreadsheet has columns for actual figures 2023/24, budget for 2024/25, year to Dec 2024 and proposed budget for 2025/26. There is also a column of detailed explanations of the figures. At the meeting on 7 January 2025 a precept of £71500 was agreed for 2025/26 (minute 157/24).
- Is actual expenditure against the budget reported to the council?  
Yes. Councillors receive a report from the Rialtus system showing actual year-to date expenditure against the budget. This is analysed by cost centre and account code giving a clear picture of variances against each type of council activity. The Finance Committee meets 3 times a year (23/4/24, 13/8/24, 4/12/24) and reviews actual against budget at each meeting. This is reported to full council with some commentary (minutes 47/24d, 84/24d, 105/24c). *As reported to council, the general reserves exceed the amount required by the council's own policy so I would recommend deciding on some projects and reviewing the EMR.*
- Are there any significant unexplained variances from budget?  
Budgeted expenditure was £73700 and actual was £62131. Budgeted income was £85000 and actual was £88096. The net result is an increase in reserves of £25965 to £126865. Rialtus shows £37780.96 of these as ear-marked for different purposes, the largest being a project relating to the war memorial, and an accumulation of solar farm income amounts (reason unknown), as well as an election reserve and small amounts that don't look like they are serving any particular purpose. The council appears to be accumulating reserves without any clearly defined purpose. The parish council prepares an annual action plan (approved 2/4/24 minute 204/23) which duplicates much of the internal controls procedure document and risk schedule and is more of a 'business as usual' operations plan than an action plan. *A different format of Action Plan (a project plan) could be very useful for the council to set out a Strategic Approach for its accumulated reserves.*

## E Income Controls

- Are there other sources of income other than VAT refund and precept?  
Yes. LCTS, other grants, TDC recycling credits, burial fees, bursaries, Solar Farm income, Bank interest
- Is income properly recorded and promptly banked?  
All income is by direct credit.
- Does the precept recorded in the cash book agree to the district council's notification?  
TDC pays in 2 instalments but notification does not show a split of precept, and Local Council Tax Support Scheme (LCTS). The total of £71030 (2 x £35515 received in

April and October) from TDC agrees to the totals expected by Bradfield PC for 2024/25 of precept £70700 and LCTS of £330.

- Are security controls over cash adequate and effective  
*No cash is handled by the parish council*

**F Petty Cash**      No Petty cash is held.

## **G Payroll**

- Do salaries paid agree with those approved by the council?  
*Yes. The previous clerk/RFO was employed for 24 hours per week on SCP 28 until 31/10/24 (minute 116/24). The new clerk is employed from 12/12/24 for 18 hours a week on SCP 26 (minute 129/24) with increase to SCP 27 after 6 month probationary period. The monthly pay is calculated as a twelfth of the annual salary for 52 weeks at 18 hours. The contract includes NJC cost of living increase and annual SCP increment in December each year from Dec 2025. Backpay to 01/04/24, for previous clerk, was paid in December 2024. The calculations were sent by email to the chairman.*
- Are other payments to the clerk reasonable and approved by the council?  
*Yes. General expenses are paid using the Equals card. Clerk receives a parish office allowance of £27 per month (£26 tax free), and mileage at 45p per mile (for travel to undertake play inspections and update the noticeboard). These are put through payroll and paid to the clerk as one sum net of tax. In 2025/26 the WFHA and travel costs will be separated in Rialtus.*
- Has PAYE / NIC and pensions been properly operated by the council as an employer?  
*The previous clerk used Moneysoft payroll manager for HMRC Real Time submission. From December 2024, payroll services were provided by DM Payroll (minute 141/24). HMRC is paid monthly. The previous clerk opted out of the pension. The new clerk has opted into the NEST scheme; contributions paid by direct debit.*
- What controls exist over management of staff time and duties?  
*Clerk reports to the personnel committee with the chair and vice chair as line manager. Calls and messages are followed up by email. Clerk is doing additional work outside of standard hours and lieu time is building without opportunities to take it. The probationary meeting will be an opportunity to discuss this.*

## **H Assets**

- Does the council keep an asset register of all material assets owned?  
*Yes. The register is in excel and has columns for asset description, date purchased, AGAR Box 9 at start, dates of additions, dates of disposals, Closing Box 9 AGAR figure, method of valuation, replacement value for insurance and insured value. It groups assets in sections for Property / Land, War Memorial, Commemoration Stone. Street furniture, gates and fences, playground equipment, surfaces, contents / office equipment.*
- Is the register regularly updated?  
*Approved at meeting 7 May 2024 (minute 16/24c). The Finance Committee meeting 13 August 2024 agreed to remove consumable items with a value of less than £150 (minute FC7/24). Opening AGAR total was £265976. Additions total £8785 (gateway installation from 16/05/23 £5667, CCTV £1860, Bench £447, memorial bench £447, bins 2 x £182). Disposals totalling £3287 being removal of items as agreed. Closing AGAR £271474.*
- Do asset insurance valuations agree with those in the asset register?  
*The Clear Councils Property Damage sums insured in the 10/07/24 renewal was Buildings £882028, Contents £33000, Street Furniture £72000, Walls Gates & Fences*

£36000, Play Equipment £90000, CCTV £2678, War memorials £48000, Mowers and Machinery £6000, Sports Equipment £18000.

There are comparable to the figures in the 'replacement value for insurance' column of the register, which are totalled for each category of asset.

Regarding building premises – as mentioned in section C, the Village Hall charity is responsible for insuring the VH building and contents. *The clerk is checking the Village Hall trustees have this cover in place, and that the amount is sufficient for a total loss as established by the revaluation this year (i.e. the claim would pay for clearance of the site, professional fees relating to design and planning, and the rebuild costs). Provided suitable cover is in place the parish council can remove this from its 2025 renewal.*

Regarding assets away from the premises – it can be seen that in some cases the Clear Councils cover is less than the asset register reinstatement value and in others it exceeds it. This may be because the insurer takes a 'first claim' approach that a total loss of all assets in that portfolio is unlikely. *I recommend that the council shares the asset register with the insurer to assess whether the cover is sufficient.*

## **I Bank reconciliations**

- Is there a bank rec for each account?  
Yes. 2 accounts with Unity Trust and an Equals pre-paid charge card. The equals card operates on a similar basis to an imprest petty cash system. Each month the card is topped up to £400 being the sum of transactions for that month (which are entered as net and VAT amounts on Rialtus). During the year, the council closed its Barclays accounts and moved to Unity Trust Bank (minutes 205/23e, 16/24). *The council has balances in excess of the FSCS limit of £85000 with a financial institution (Unity Trust) and is exploring options for an investment account at the May Finance meeting.*
- Is the bank rec carried out regularly on receipt of statements? Yes. Monthly
- Are there any unexplained balancing entries in any reconciliation? None

## **J Year End**

- Are year end accounts prepared on the correct accounting basis (R & P / I & E)?  
Yes. R & P basis
- Do accounts agree with the cash book and working papers?  
Yes. *The accounts package provides the totals for the accounts.*
- Is there an audit trail from underlying financial records to the accounts?  
Yes. *All payment source documents are referenced with BACS / DD / SO filed in month order with the corresponding payments list.*
- Where appropriate, have debtors and creditors been properly recorded?  
*Not required for R&P.*

## **K Council Exempting itself from a limited assurance review**

- Did the council meet the criteria?  
*No. Gross income and gross expenditure in 2023/24 exceeded £25000.*
- Did the council exempt itself from the review? n/a
- Was the exemption certified at a meeting? n/a
- Was the appropriate notice displayed? n/a

## **L Web page Publication**

The authority publishes information on a website/webpage, up to date at the time of the internal audit, in accordance with the Transparency code for smaller authorities.

Payments are embedded in the minutes April to Nov 2024 inclusive [Agendas & Minutes | Bradfield Parish Council](#). Payments over £500 are on a separate web page for each quarter with other reports. [Council Finance and Transparency | Bradfield Parish Council](#)

## **M Public Rights in Summer 2024**

The council agreed the dates for the period for the Exercise of Public Rights commencing 6 June 2024 and ending 17 July 2024 and displayed the notice [8358-notice of public rights and publication of unaudited annual governance and accountability return 2023-24.pdf](#)

## **N Publication of Annual Return 2023/24**

The authority has complied with the publication requirements for 2023/24 AGAR (see AGAR Page 1 Guidance Notes).  
[Council Audit | Bradfield Parish Council](#)

## **O Trustees**

If the council is a trustee, has it met its responsibilities?

- Is the council a sole trustee of a charity?  
*The council is sole trustee of The Bradfield Allotments and Recreation Ground Charity registration charity number 301260. The governing document is a scheme dated 17.5.1990 as amended on 14 Oct 2021. The charity object is for the 'provision and maintenance of allotments and a recreation ground for the benefit of the inhabitants of Bradfield and the neighbourhood thereof without distinction of political, religious or other opinions with the object of improving the conditions of life for the said inhabitants.' The charity no longer provides allotments but it does provide a recreation ground. It is assumed from the deeds that the land is owned by the charity with the parish council as its custodian trustee.*
- Has the council fulfilled its duties to report to the Charity Commission?  
*Yes. Charity register shows BPC as sole trustee and the annual return submissions are up to date [Charity overview, THE BRADFIELD ALLOTMENTS AND RECREATION GROUND CHARITY - 301260, Register of Charities - The Charity Commission](#).*
- Are charitable funds properly accounted for?  
*The charity has not traded this year. Financial returns are zero. A bank account with the Co-op bank has been opened this year to enable the charity to accept donations and to apply for grant funds if required.*
- Is the business of the charitable trusts kept separate from the parish council business?  
*The council meets once a year as the sole trustee to fulfil its responsibilities. [The last meeting was on 06/02/24 and a meeting of the sole trustee will be arranged shortly](#) The parish council manages the recreation ground and pays for its upkeep. This expenditure is effectively a gift to the charity.*

Jan Stobart, FCCA  
7 May 2025