

**Minehead Town Council
Internal Audit Report Financial Year 2024/25**

Internal Control	Test	Observations/Recommendations	Notes
Proper bookkeeping	Is the cash book maintained and up to date?	Yes.	Rialtas.
	Is the cash book arithmetically correct?	Yes.	As above.
	Is the cash book regularly balanced?	Yes.	As above.
Standing Orders, Financial Regulations and Payment Controls	Has the Council formally adopted Standing Orders, Financial Regulations?	Yes.	
	Date S/Os last reviewed.	May 2025.	
	Date FinRegs last reviewed.	May 2025.	Review promptly, to include provisions of Procurement Act 2024.
	Has a Responsible Financial Officer been appointed with specific duties?	Yes.	
	Have items or services above the <i>de minimis</i> amount (per FinRegs) been competitively purchased?	n/a	
	Are payments in the cash book supported by purchase orders, invoices, authorised and minuted?	Yes.	

	Has VAT on payments been identified, recorded and reclaimed?	Yes.	Reclaimed quarterly.
	Is s137 expenditure separately recorded and within the statutory limit?	Yes.	
	Have s137 payments been approved and included in the Minutes as such?	Yes.	Clear distinction is being made between grants under s137 and grants under other powers.
Risk Management Arrangements	Does a review of the Minutes identify any unusual financial activity?	Yes.	Preparations for devolution of assets and services from Somerset Council. Early consideration and risk assessment/budget implications should ease this process.
	Do Minutes record the Council carrying out an annual risk assessment or review of their risk management scheme?	Yes.	
	Date of Risk Assessment/Management Policy review and adoption	March 2025.	
	Is insurance cover appropriate and adequate?	Yes.	In particular, Minutes show consideration of impact of devolution, with ownership/responsibility of additional assets being accepted by MTC being factored in.

	Are internal financial controls documented and regularly reviewed?	Yes.	Quarterly report produced by RFO. Signed by RFO and two councillors and Minuted at next FinCom.
Budgetary controls	Has the Council prepared an annual budget in support of its precept and has this been minuted as being approved?	Yes.	January 2024.
	Has the precept been calculated from the budget and been approved?	Yes.	£931,642, January 2024. Minute 2024/7.
	Does the budget include an actual completed year?	Yes.	
	Is actual expenditure against budget regularly reported to the Council?	Yes.	
	Has the Council agreed a General Reserves Policy?	Yes.	May 2025.
	Are there any significant unexplained variances from budget?	No.	Variances explained quarterly in financial report.
	Where necessary, does the council have a formal Investment Policy?	Yes.	Reviewed March 2025.
Income Controls	Is income properly recorded and promptly banked?	Yes.	
	Does the precept recorded agree to the Council Tax authority's notification?	Yes.	
	Are security controls over cash and near-cash adequate and effective?	n/a	

Petty Cash Procedures	Is all petty cash spent recorded and supported by VAT invoices/receipts?	n/a	
	Is petty cash expenditure reported to each Council meeting?	n/a	
	Is petty cash reimbursement carried out regularly?	n/a	
Payroll Controls	Do all employees have contracts of employment with clear terms and conditions?	Yes.	NALC standard.
	Are salaries above the National Living Wage / Minimum Wage?	Yes.	NALC salary scales.
	Are other payments to employees reasonable and approved by the Council?	Yes.	
	Have PAYE/NIC been properly operated by the Council as an employer?	Yes.	
Asset Controls	Does the Council maintain a register of all material assets owned or in its care?	Yes.	
	Are the assets and investments registers up to date? When were these last reviewed?	Yes. Updated March 2025.	Minute 2025/46.
	Does the asset insurance valuations agree with those in the asset register?	No.	Assets are valued at original purchase price, or £1.

Bank reconciliation	Is there a bank reconciliation for each account and is this reported to Council?	Yes.	
	Is a bank reconciliation carried out regularly and in a timely fashion?	Yes.	Monthly, checked by two councillors.
	Are there any unexplained balancing entries in any reconciliation?	No.	
Year-end Procedures	Are year-end accounts prepared on the correct accounting basis? (Receipts and Payments, or Income and Expenditure)?	Yes.	
	Do accounts agree with the cash book?	Yes.	
	Has a year-end bank reconciliation been undertaken?	Yes.	
	Is there an audit trail from underlying financial records to the accounts?	Yes.	
	Where appropriate, have debtors and creditors been properly recorded?	Yes.	Rialtas automatic.
Procedural	Is eligibility for the General Power of Competence properly evidenced?	n/a	
	Have points raised on the last Internal Audit report been considered by Council and actioned?	n/a	

Transparency: For smaller councils with turnover over £200,000	Have the following been published? All items of expenditure above £500; End of year accounts; Annual governance statement; Internal Audit Report; List of councillor or member responsibilities; Location of public land and building assets; Minutes, agendas and papers of formal meetings.	Yes; Yes; Yes; Yes; Yes; Yes; Yes.	
Councils that are Burial Authorities	Records of burials and EROBs tally with receipts?	Yes.	
General Data Protection Regulation	Has the Council adopted a Data Protection Policy?	Yes.	May 2025.
	Has the Council put in place Privacy Notices?	Yes.	Updated 2024.
Miscellaneous	Is the Council registered with the Information Commissioner's Office?	Yes.	
	Does the Council's website meet accessibility requirements (random sample)?	Yes.	Accessibility Statement refers.

Per Pro Services Ltd
May 2025

MINEHEAD TOWN COUNCIL
AGAR 2024/25
Explanations for 'not covered' answers in Internal Audit Report

Internal Control Objective F

The smaller authority does not use petty cash.

Internal Control Objective K

The smaller authority did not declare itself exempt in the previous financial year.

Per Pro Services Ltd
May 2025

Annual Internal Audit Report 2024/25

EA Minehead Town Council

mineheadtowncouncil.co.uk PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2025, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2024/25 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			✓
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.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
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.	✓		
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")			✓
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.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2024-25 AGAR period, were public rights in relation to the 2023-24 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2023/24 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

08/05/2025 12/05/2025 20/05/2025

Name of person who carried out the internal audit

Judith Lawson CHIEF OF INTERNAL AUDITOR

Signature of person who carried out the internal audit

 CHIEF OF INTERNAL AUDITOR

Date

21/05/2025

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).