

9 Smithfield
North Thoresby
DN36 5RU
25th May 2025

Councillor Springett
Chair of Holton-le-Clay Parish Council

Dear Councillor Springett,

Re: Internal Audit 2024-25

Thank you for inviting me to conduct the council's Internal Audit.

The scope of the audit was to inspect all areas of governance, for compliance with current legislation and best practice. Areas under consideration were:

- Existence of Key Governance Documents
- Compliance with Transparency legislation
- Overview of Accounts and Banking
- Adequacy of Budget preparation and monitoring
- Petty Cash management (if applicable)
- Consideration of Risk Management
- Spending in line with Legal Powers
- HR and Payroll record keeping
- Cemetery record keeping

The checklist on the following pages shows the items that have been considered, together with any recommendations. In summary, the main recommendations are:

- To adopt the latest Standing Orders (2025), which sit alongside the latest Financial Regulations. I noted that the council has adopted the latest Financial Regulations.
- To tailor the Standing Orders and Financial Regulations where [] brackets are used. These paragraphs provide options for the council to choose what fits the organisation e.g. whether items should be dealt with by full council or a committee.

The records maintained by the Clerk are comprehensive and well organised. I would like to extend my thanks to the Clerk for the preparation of the files to facilitate the audit.

Yours Sincerely,
Tony Shaw

Internal Audit 2024/25

Council Information	
Parish Council	Holton-le-Clay
Website	https://holton-le-clay.parish.lincolnshire.gov.uk/
Chair	David Springett, davidspringett@holtonleclayparishcouncil.gov.uk
Clerk/RFO	Emma Portas, hlc.pc@outlook.com

Key Governance Documents		
	Y/N	Notes
Standing Orders	Y	Items in [] brackets require tailoring Recommend adoption of latest 2025 model standing orders
Financial Regulations	Y	Items in [] brackets require tailoring
Code of Conduct	Y	
Complaints Procedure	Y	
Publication Scheme	Y	
Data Protection	Y	
Risk Management	Y	
Committee Terms of Reference	Y	Planning and Personnel Committees exist
Contact Details Online	Y	Clerk and Councillor email addresses published

Transparency		
	Y/N	Notes
Agendas published (with 3 clear days' notice)	Y	
Minutes published (within 1 month)	Y	
Asset Register published (by 1 Jul)	Y	
Internal Audit Report published (by 1 Jul)	Y	
Annual Governance Statement published (by 1 Jul)	Y	
End of Year Accounts published (by 1 Jul)	Y	Accounting Statements published as part of AGAR
Bank Reconciliation published (by 1 Jul)	N	Recommend publishing the Bank Reconciliation that forms part of the Annual Return
Certificate of Exemption published (by 1 Jul)	N/A	Not applicable

Past 5 Years Annual Returns published online	Y	
External Audit Report published (by 30 Sept)	Y	

Accounts and Banking		
	Y/N	Notes
Accounts accurate and balance	Y	Use Rialtas. Payments and Receipts method of accounting.
VAT recorded	Y	
VAT reclaimed	Y	VAT claimed quarterly
S137 recorded	Y	Council has General Power of Competence but also identifies S137 expenditure as a budget line.
All payments approved	Y	Schedule of Payments, including Credit Card expenditure, presented each month. Approval in minutes.
Payments in accordance with Financial Regulations	Y	
Bank Reconciliations produced and variances explained	Y	Full finance report presented each month
Internal Controls in place	Y	
Bank Mandate up to date	Y	

Budgeting		
	Y/N	Notes
Annual Budget prepared	Y	Published online
Precept Demand minuted	Y	January 2025 Full Council meeting
Earmarked Reserves reviewed	Y	Regular reporting of reserves each month
Regular budget monitoring	Y	Clerk monitors regularly and reports significant variances to council

Petty Cash		
	Y/N	Notes
Cashbook maintained	N/A	No petty cash
Petty Cash spending authorised	N/A	No petty cash
Petty Cash VAT receipts obtained	N/A	No petty cash
Petty Cash reported to Council	N/A	No petty cash
Petty Cash Float reconciled regularly	N/A	No petty cash
Cash stored securely	N/A	No petty cash

Risk Management		
	Y/N	Notes
Risk Management reviewed annually	Y	
Assets inspected for Health & Safety risks e.g. play equipment, defibrillators	Y	Weekly inspections completed by employed Litter Picker and checklist sheets retained on file.
Finances reported in line with Financial Regulations	Y	

Miscellaneous		
	Y/N	Notes
General Power of Competence adopted and correctly renewed	Y	Minuted in May 2024
Council paperwork stored securely	Y	All paperwork stored at the council office
Council electronic information stored securely and backed up regularly	Y	Laptop is password protected and backed up regularly

Proper Practice		
	Y/N	Notes
Agendas correctly presented	Y	
Minutes correctly written, approved and signed	Y	
Co-option according to policy	Y	As per standing orders, no separate policy
Declaration of Office signed and retained (Councillor and Chair)	Y	
Members' Register of Interests published online	Y	
Council operating within legal powers	Y	Council has general power of competence
Delegation to Officers or Committees documented	Y	No Scheme of Delegation. Delegation as per Financial Regulations.

HR and Payroll		
	Y/N	Notes (applies to all staff)
HR Committee exists	Y	
Job Description up to date	Y	
Contract issued	Y	
Payroll is adequately managed	Y	Third party provider, Duncan & Toplis Complete set of payroll records retained and checked by council.

HMRC Payments Correct	Y	PAYE paid by Direct Debit
Staff overtime and expenses approved	Y	Clerk has up to 15 hours overtime per month agreed in their contract.
Staff increments approved	Y	NJC increments agreed in Clerk's contract.
Annual Leave recorded and approved	Y	
Annual Appraisal undertaken	Y	
HR Policies exist	Y	
Pension provision adequate	Y	Clerk is a member of NEST
Pension administration up to date (Pensions Regulator)	Y	Completed online

Cemetery Records		
	Y/N	Notes
Cemetery accounts accurate	Y	Separate bank account for cemetery income
Exclusive Rights of Burial records kept	Y	
Interment records kept	Y	
Cemetery Fees reviewed and in accordance with approved rates	Y	
Burial map up to date (and backed up if electronic)	Y	