

**INTERNAL AUDIT REPORT  
GREAT SANKEY PARISH COUNCIL  
2025/2026**

The internal audit of Great Sankey Parish Council was carried out by undertaking the following tests as specified on the Annual Return for Local Councils in England:

- Checking that books of account have been properly kept throughout the year
- Checking a sample of payments to ensure that the Council's financial regulations have been met, payments are supported by invoices, expenditure is approved, and VAT is correctly accounted for
- Reviewing the Council's risk assessment and ensuring that adequate arrangements are in place to manage all identified risks
- Verifying that the annual precept request is the result of a proper budgetary process; that budget progress has been regularly monitored and that the council's reserves are appropriate
- Checking income records to ensure that the correct price has been charged, income has been received, recorded and promptly banked and VAT is correctly accounted for
- Reviewing petty cash records to ensure payments are supported by receipts, expenditure is approved and VAT is correctly accounted for
- Checking that salaries to employees have been paid in accordance with Council approvals and that PAYE and NI requirements have been properly applied
- Checking the accuracy of the asset and investments registers
- Testing the accuracy and timeliness of periodic and year-end bank account reconciliation(s)
- Year end testing on the accuracy and completeness of the financial statements

**Conclusion**

On the basis of the internal audit work carried out, which was limited to the tests indicated above, in our view the council's system of internal controls is in place, adequate for the purpose intended and effective, subject to the recommendations reported in the action plan overleaf.

As part of the internal audit work for the next financial year we will follow up all recommendations included in the action plan.

**JDH Business Services Limited**

**INTERNAL AUDIT REPORT  
GREAT SANKEY PARISH COUNCIL  
2025/2026**

**ACTION PLAN**

	<b>ISSUE</b>	<b>RECOMMENDATION</b>	<b>FOLLOW UP</b>
1	The fidelity cover at £1 million doesn't cover the maximum projected cash balances as at 31/3/26 calculated as £1,137,670.	<i>The Council should review the adequacy of their fidelity cover.</i>	Will be discussed with councils insurance provider.
2	Testing of a sample of hall hire receipts identified the following: <ul style="list-style-type: none"> <li>On invoice 12200 The number of hours charged for was sometimes less than the hours booked for. E.g. Hood lane centre was booked from 10:00-12:00 on 16/7/25 but the customer was only charged for 1.5 hours.</li> </ul>	<i>The invoice should show the correct amount of hours booked for. If a discretionary rate is agreed, this should be applied to the hourly rate rather than the hours booked for.</i>	The bookings package is used to show hours that the centre is occupied by a customer. This customer hires several sessions per week in both Hood Lane CC and Tim Parry CC. They were allowed a free half hour at the end of one session to run a 'coffee morning' to combat social isolation in new parents. To be fully accurate, the booking could be split into a chargeable time period and a free time period.
3	Recurring issue: It is difficult to follow through from the monthly cash books to the figures entered in the ETB and therefore the resulting income and expenditure accounts. The balances used for both receipts and payments are £4947.33 lower than the balances in the monthly cash book. Currently balances are transferred from the monthly cash book spreadsheets to budget monitoring sheets and the ETB spreadsheet.	<i>The council should consider utilising a parish council bespoke accounts package which would have a clearer audit trail and would assist in monthly budgetary reporting.</i>	Quotes for bespoke packages, set-up and staff training will be sought.

**INTERNAL AUDIT REPORT  
GREAT SANKEY PARISH COUNCIL  
2025/2026**

4	<p><b>Accessibility</b> The Council website states it is partially conformant with WCAG 2.1 level AA. The Practitioners Guide states: ‘All websites must meet the Web Content Accessibility Guidelines 2.2 AA and the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018 (where applicable).’ Accessibility Regulations were incremented to WCAG 2.2 AA in October 2024.</p> <p>We note the Council has published a notice on the website informing website visitors that the website is currently being updated and accessibility will be tested later in 2026.</p>	<p><i>The council needs to ensure the Accessibility Statement is updated and that the website is compliant with the Web Content Accessibility Guidelines 2.2 AA.</i></p>	<p>This is in progress, and the statement on the council’s website reflects this.</p> <p>The new version of the website should be complete by the end of June and will be fully compliant.</p>
<b>Follow up of 2024/25 internal audit recommendations</b>			
1	<p>The financial regulations require that the Clerk shall obtain 3 formal written quotations for the Council/Finance Committee to consider for contracts over £3000.</p> <p>For the following contracts, we did not see evidence that three quotes were obtained before the contract was awarded:</p> <ul style="list-style-type: none"> <li>• Plastic panelling contract at Whittle Hall Community Centre £3,535</li> </ul>	<p><i>Contracts should be awarded as per the financial regulations of the Council.</i></p> <p><i>When three quotes can’t be obtained, the reasons for this should be recorded in the council minutes when the contract is awarded.</i></p>	<b>Implemented</b>

**INTERNAL AUDIT REPORT  
GREAT SANKEY PARISH COUNCIL  
2025/2026**

	<ul style="list-style-type: none"> <li>• BB Stairwell contract – evidence seen that two quotes were obtained.</li> <li>• Mass bulb planting contract £23,616. Other quotes were not obtained because the style of mass planting is done with a specialist machine, only offered by this Company.</li> </ul>		
2	<p>It is difficult to follow through from the monthly cash books to the figures entered in the ETB and therefore the resulting income and expenditure accounts. The balances used for both receipts and payments are £2867.81 lower than the balances in the monthly cash book. Currently balances are transferred from the monthly cash book spreadsheets to budget monitoring sheets and the ETB spreadsheet.</p>	<p><i>The council should consider utilising a parish council bespoke accounts package which would have a clearer audit trail and would assist in monthly budgetary reporting.</i></p>	<b>Outstanding</b>
3	<p><b>Budgetary Control:</b> The newly adopted Financial Regulations do not contain any controls over budget virements or budgetary control reporting as currently the new FRs state only the following:</p> <p><i>4.9. The agreed budget provides a basis for monitoring progress during the year by comparing actual spending and income against what was planned.</i></p>	<p><i>The council should ensure that appropriate internal controls over virements and budgetary control reporting are incorporated into the adopted Financial Regulations.</i></p>	<b>Implemented</b>

**INTERNAL AUDIT REPORT  
GREAT SANKEY PARISH COUNCIL  
2025/2026**

<p>The previous model Financial Regulations contained both detailed controls for virement authorisations and budgetary control reporting as follows:</p> <p><i>4.2. No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the council, or duly delegated committee. During the budget year and with the approval of council having considered fully the implications for public services, unspent and available amounts may be moved to other budget headings or to an earmarked reserve as appropriate ('virement').</i></p> <p><i>4.8. The RFO shall provide quarterly the council with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances. For this purpose "material" shall be in excess of £xxx or xx% of the budget.</i></p>		
--	--	--