

Internal Audit Report

(to be read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return)

Name of council:	Stowe Nine Churches Parish Council		
Name of Internal Auditor:	Mrs TL Charteress	Date of report:	15 th May 2025
Year ending:	31 March 2025	Date audit carried out:	14 th May 2025

Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the council through its staff and management and not left for internal audit. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council in order to detect error or fraud. This report is based on the evidence made available to me and consequently the report is limited to those matters set out below.

The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.

To the Chair of the Council:

Thank you very much to the Parish Clerk for supplying me with the information I requested to carry out this Annual Internal Audit. I have spoken with the Clerk, in person via Teams and conducted the audit remotely.

Results

The work completed is identified in the table below and action required is highlighted:

Area of Work	Observations/Points
Adoption of Policies	The council resolved to adopt Standing Orders at the Annual Parish Council meeting in May 2024 and the new Financial Regulations at the council meeting in September 2024
Accounting Records	The Accounts were properly maintained during the financial year and the correct carry forward figure was rolled over.
Asset Register	The Asset Register was reviewed and approved at the May 2024 council meeting. The Asset Register appears to be an accurate reflection of council owned assets
Bank Balances	Bank balances are reported regularly at council meetings and Minuted
Bank reconciliations	Bank reconciliations were reviewed and confirmed to be done on a regular basis with due care and attention and were reported to full

	council. Bank balances were confirmed to statements as at the 31 st of March 2025
Budget	The council followed due process for the agreement of the Budget approving it at the December 2024 meeting and the budget is correctly displayed on the website
Earmarked Reserves	There is no requirement for the council to earmark its reserves
Email addresses	Cllrs are not using .gov email addresses, they are using their own personal emails to carry out council business NOTE: all council members should now be using corporate email addresses with either .gov or .org
Employment	The council is the employer of the Clerk NOTE: the Clerk does not have a contract of employment and as a responsible employer, the council should address this as soon as possible
Insurance	NOTE: An insurance payment was made to Zurich Insurance in December 2024, but I cannot see from the Minutes insurance was reviewed or agreed during the year
Internal Control	NOTE: I can't see any evidence of Internal Control in the Minutes. The council has a statutory duty to mitigate risk by carrying out Internal Control on its processes. This is not the responsibility of the Clerk, but the responsibility of council members
Minutes of Meetings	Minutes were reviewed and were found to be in good order. NOTE: The Minutes need to be consecutively page numbered throughout the year
PAYE & Pensions	Paye was tested and found to be in good order. The council use a payroll provider. Payments to HMRC are being paid regularly through the council's bank account
Payments	Payments followed due process and have been accounted for correctly however: NOTE: the council only has one bank signatory. This presents a risk in carrying out council business should the signatory resign or be unable to agree the payments. The council needs to follow its own Financial Regulations which state bank payments will be authorised by two members
Petty Cash	The council does not use petty cash
Precept	The council followed the correct procedure to agree the Precept Demand of £7,222 at the December 2024 full Council meeting
Risk Assessments	The council's Risk Assessments were approved at the Council meeting held in May 2024
VAT return	The balance as at 31 st March 2025. No errors were observed
Website	The website was found to be in good order and was easy to navigate
Year-end procedures	Year-end procedures were carried out in the correct manner.

Summary

In my opinion the Council's books and records are in very good order and follow due process in most elements.

I wish the Council a very successful 2025/2026.

Yours sincerely,

Tina Charteress

Mrs TL Charteress
Internal Auditor to the Council
07818 084231
tcharteress@gmail.com

The figures submitted in the Annual Governance and Accountability Return are:

	Year ending 31 March 2024	Year ending 31 March 2025
1. Balances brought forward	5,052	4,832
2. Annual precept	5,900	5,900
3. Total other receipts	0	0
4. Staff costs	3,632	3,811
5. Loan interest/capital repayments	0	0
6. Total other payments	2,488	1,934
7. Balances carried forward	4,832	4,988
8. Total cash and investments	4,832	4,988
9. Total fixed assets and long-term assets	4,614	4,692
10. Total borrowings	0	0

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2024)*. It is a guide to the accounting practices to be followed by local councils and it sets out the appropriate standard of financial reporting to be followed. A copy of the guide is available for free download from:

<https://northantscalc.gov.uk/practitioners-guide>.