

# Ladbroke Parish Council

## Internal Audit Report for the Financial Year ending 31<sup>st</sup> March 2026

The Accounts and Audit Arrangements introduced from 1st April 2002 (lighter touch audit) requires all Town and Parish Councils to implement an independent internal audit examination of their Accounts and Accounting processes annually. The Council have complied with the requirements in terms of independence by the Council decision making process by appointing Eleanor Choudry to undertake the work for 2025/26.

This visit is to check that the Parish Council adhere to the requirements set out in the Governance and Accountability for Smaller Authorities in England ensuring that compliance is maintained. The audit concluded on 19<sup>th</sup> June 2026.

An Internal Audit testing strategy is set out in the current Governance and Accountability for Smaller Authorities in England appendix 5. This covers a "suggested approach to internal audit testing" covering 10 aspects ranging from Proper bookkeeping right through to Year-end procedures. Our Internal Audit testing is based on this approach.

My initial discussion with the Parish Clerk established any system or procedure changes to the internal controls from the previous period. I have undertaken a series of independent audit tests using the various financial records, vouchers, documents, Minutes, insurance documentation to ascertain the efficiency and effectiveness of the internal controls.

As part of this internal audit review I checked:

### **Bookkeeping**

- The financial totals as at 31 March 2025 have been brought forward accurately.
- The cashbook is up to date.
- The calculations are correct.
- VAT is evidenced but not yet reclaimed.
- The payments have been checked, and all were supported by invoices, authorised or minuted. (see page 4).
- Income recorded in the bank account was checked to those entries shown in the cashbook. The accounts folder Income section does not contain documentary evidence for each item of income.
- The Council does not have the General Power of Competence.
- S137 expenditure is recorded separately.
- There is no evidence that grants are paid.
  
- **Recommendation:**
  
- **I recommend that:**
  
- **Every income item has a supporting document.**
  
- **VAT is reclaimed annually.**

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## **Due Process**

- NALC Model Standing Orders 2018 (revised 2020) were adopted in 05/25 and minuted.
- NALC Model Financial Regulations 2019 were adopted in 05/25 and minuted. They are tailored to the council.
- The PC does not have any investments or loans.
- There have not been any purchases of goods/services that require 3 quotations.
- There is evidence that financial checks have been carried out by Councillors and this is minuted.
- An adopted Equal Opportunities Policy is available on the website.
- The parish council does not have a Grant Awarding Policy.
- The Disclosable Pecuniary Interest Forms have been completed for all Cllrs. All Councillors details are available on the Stratford-upon-Avon District Council website.
- Signed agendas are available on the website and they are always displayed at least three clear days prior to a meeting.
- Periodically a Councillor signs and dates the bank reconciliations to confirm that they have been carried out accurately as part of Parish Councillor Scrutiny role.
- Periodically the Clerk signs and dates the bank reconciliations to confirm that the total of the bank account agrees to the cashbook totals.
- Each month receipts/payments and balances are summarised and supplied to each Councillor at the meetings.
- There is evidence that apologies are minuted.
- Declaration of members interests are minuted.
- The council published the required information in accordance with the relevant legislation.
- Two meetings were inquorate but payments were authorised under delegated authority as per the Financial Regulations.

## **Risk Management**

- A scan of the minutes does not reveal any unusual activity.
- A Health and Safety Policy was adopted in 10/22, and the policy is available on the website.
- Minutes are consistently signed. Pages are identified. Minute references do not run consecutively across the year but match agenda reference numbers.
- Financial payments are added to the agenda and the bank balance is regularly reported.
- A Risk Assessment was adopted in 10/22. This has not been reviewed.
- The PC has moved to a .gov.uk website domain and email addresses.
- The annual insurance policy has been renewed.
- There is £10 million in Public Liability and £5 million Employers Liability.
- The Clerk advised the website meets the Web Content Accessibility Guidelines 2.2 AA and the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.

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- **Recommendation:**
- **I recommend that:**
- **The Risk Assessment is reviewed annually.**

### **Budget**

- An annual budget is prepared, discussed and adopted by the council.
- There is evidence that the PC have considered the level of the precept.
- The precept demand is approved and minuted and the amount requested is stated.
- There is evidence of budget setting and general reserves.
- The council does not have a Reserves Policy. Parish councils are advised to have reserves of between 3 and 12 months of net expenditure.
- **Recommendation:**
- **I recommend that:**
- **The council considers its reserves and ring fencing for planned projects, asset replacement etc. The councils' reserves are higher than necessary for its operational needs.**

### **Payroll – Clerk/RFO**

- A Contract of Employment is customised and signed.
- There is evidence that the PAYE has been paid and approved.
- There is compliance with minimum wage requirements.
- There is evidence of current Employers Liability Insurance.
- A Disciplinary, Dismissal and Grievance Policy was adopted in 10/22 and is available on the website.

### **Asset Control**

- An Asset Register for 2025/26 was reviewed in 05/25, the value of individual assets is listed. Dates of purchase to be added.

### **Bank Reconciliation**

- There is evidence of a bank reconciliation.
- There is evidence that the bank reconciliations have been reviewed by Councillors and minuted.
- There does not appear to be any unexplained balancing entries in the reconciliation.

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## Banking and Investments

- It was noted that the Parish Council has Bank Account with Unity Trust Bank account: Ladbroke Parish Council Account number XXXXXX58.

## Year End Procedures

- Year-end accounts are prepared correctly on a receipts and payments basis and the bank statements and ledger reconciled.

## Misc

- Evidence of Cllrs signed Code of Conduct forms has not been seen.
- The Clerk informed me that all electronic files are backed up to the cloud.
- Arrangements are correctly in place for the public inspection of the Council's records for 2024/25.
- The Council is registered with the ICO.
- A Publication Scheme is available on the website.
- The PC does not have an IT Policy.
- **Recommendation:**
- **I recommend that:**
- **The Council needs to ensure it is effectively managing all its risks. It should consider specifying IT and data management risks and the control arrangements operating. Examples of risk considerations e.g. ensuring the Council can gain access to the electronic data and information held, should the Clerk become unavailable.**
- **An IT Policy is drawn up and adopted.**
- **Dates of purchase to be added to the Asset Register.**

For the year 2025/2026 an audit trail of the following payments was carried out:-

PAYMENT	PAYEE	AMOUNT £
14/05/25	WALC	150.60
14/05/25	DM Payroll	120.00
12/06/25	Ladbroke Village Hall	197.00 *
11/08/25	YU Energy	23.22
12/11/25	BHF	954.00
25/03/26	Freethought	72.00

- not minuted.

## **Ladbroke Parish Council**

### **Conclusion**

The internal audit has identified areas where improvements should be considered, and recommendations have been made.

This report should be noted and taken to the next meeting of the Parish Council to inform them of the Internal Audit work carried out. The details of this Internal Audit Report should be minuted by the Parish Council.

The responsibility for the prevention and detection of fraud, error and non-compliance with the law or regulations rests with the Council. The internal audit should not be relied upon to disclose all material misstatements or frauds, errors, or instances of non-compliance, as may exist.

As the Council's appointed internal auditor, I confirm that I am independent of the Council.

I would like to acknowledge the support and assistance provided by the Parish Clerk during the internal audit review.

**Eleanor Choudry, CiLCA, AAT, PIALC**

**Internal Auditor**