

# Internal Audit Report

to be read in conjunction with the Annual Internal Audit Report 2025-26

Name of council:	Ilmington Parish Council		
Name of Internal Auditor:	Helen du Bois	Date of report:	17/5/26
Year ending:	31 March 2026	Date audit carried out:	11-15/5/26

## To the Chairman of the Council,

The Accounts and Audit Regulations 2015 require Parish Councils to undertake an effective internal audit to evaluate the effectiveness of their risk management, control and governance processes in accordance with proper practices<sup>1</sup>. The findings of the internal audit should inform the Council's preparation of Section 1 - Annual Governance Statement 2025-26 from the AGAR.

Ilmington Parish Council has complied with the requirement to appoint an independent auditor by appointing me to undertake the work. I undertook a series of checks using the documents available on the Council's website and additional documentation and information provided to me by Pauline Rigby (Clerk/RFO). My questions were answered by email and in person during an online review meeting with Pauline held on 15th May 2026. I would like to thank Pauline for providing the requested documents in a timely manner and for her prompt and detailed assistance with my queries.

I have provided details below of my findings and recommendations for each of the Internal Control Objectives listed on the Annual Internal Audit Report 2025-26:

### **A. Appropriate accounting records have been properly kept throughout the year: Y**

The roll forward of the prior year balance to the new financial year was correct.

All receipts and payments were recorded correctly in the Cashbook reports 2025-6.

A sample of financial transactions were checked and verified.

### **B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT appropriately accounted for: Y**

The Council approved Financial Regulations on 29.5.25, these are the current model version and are tailored to the Council.

VAT paid is recorded correctly in the accounts.

A VAT126 claim was submitted at the start of the financial year and a payment of £6632.63 from HMRC was received on 16.4.25.

All invoices for payment are recorded in the accounts.

Details of the invoices approved for payment in a meeting are recorded in the minutes.

Bank signatories view the physical invoices before approving payments.

The Council adopted the General Power of Competence in June 2023.

Appropriate controls are in place for the usage of the Lloyds Corporate Purchasing Card.

### **C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these: Y**

The Strategic Risks Register was updated and approved by the Council on 25.9.25.

The Council's insurance cover was renewed on 29.5.25 with appropriate levels of cover for the Council's assets and for Employer's Liability and Public Liability.

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<sup>1</sup> The proper practices are set out in the Practitioner's Guide 2025 - *Governance and Accountability for Smaller Authorities in England*, a guide to the accounting practices to be followed by local councils which sets out the appropriate standard of financial reporting to be followed.

Safety checks of the Council's fixed assets are routinely carried out by Councillors. The Annual Safety Inspection Report for Grace's Playground was reviewed by the Council on 25.9.25.

The Council adopted an Internal Control Policy in May 2024, however the Clerk confirmed that internal control checks had not been carried out this financial year.

**RECOMMENDATIONS:**

- *It is recommended that the Council appoints an Internal Controls Councillor (ICC) as soon as possible and that Internal Control checks are carried out as specified in the Internal Control Policy.*
- *It would be prudent for the Council to hold a record of all safety checks carried out by Councillors and the Clerk during the year, including dates and any findings.*

**D. The Precept requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored and reserves were appropriate: Y**

The 2025/26 Budget and Precept was approved by the full Council on 23.1.25; the approved Precept value of £38,172 was recorded in the minutes.

The 2025/26 Precept received during the year matches the amount requested from Stratford District Council.

Budget Monitoring Reports are considered by Councillors at every meeting.

The Council's funds are held as general, earmarked and ring-fenced reserves; the Council has an appropriate amount of reserves.

Levels of earmarked reserves were reviewed by Councillors during the Budget setting process.

**RECOMMENDATIONS:**

- *I would recommend recording the value of the approved Budget for Expenditure in the minutes. I would also recommend that more detailed information is provided in the minutes to explain how the resulting Precept was calculated from the Budget for Expenditure.*
- *It would be good practise to include details of the approved earmarked reserves in the minutes i.e. purpose, value*

**E. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for: Y**

All income was recorded correctly, and VAT was appropriately accounted for.

There were no outstanding debts owed to the Council at 31.3.26.

**F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for: N/A**

The Council does not use petty cash.

**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: Y**

The Clerk/RFO has a formal employment contract.

The Council is registered as an employer with HMRC.

PAYE is reported using the Basic PAYE Tool, payments are made to HMRC each month.

The Clerk received the relevant 2025/26 NJC pay increase and backpay.

The Council is registered with The Pensions Regulator.

**H. Asset and investments registers were complete and accurate and properly maintained: Y**

The Asset Register is up to date and properly maintained, it was approved by Councillors on 13.4.26.

The Council's insurance schedule provides adequate cover for the Council's assets.

Additions and disposals records in the Asset Register allow tracking from the prior year to the current.

The value given in Box 9 on Section 2 - Accounting Statements 2025/26 matches the value of total assets on the Asset Register.

**I. Periodic bank account reconciliations were properly carried out during the year: Y**

A Bank Reconciliation is reviewed at every meeting and approved by Councillors. The year-end Bank Reconciliation for 2025/26 accurately reconciles the Council's bank accounts.

**RECOMMENDATIONS:**

- *It is good practise for a Councillor to verify the relevant bank statements against the bank reconciliation and sign both the reconciliation and the bank statements.*

**J. Accounting statements prepared during the year were prepared on the correct accounting basis, agreed to the cashbook, supported by an adequate audit trail from underlying records and where appropriate, debtors and creditors were properly recorded: Y**

The Accounts were prepared on a 'receipts and payments' basis which is correct.

The cashbook reports reconcile with the bank statements and invoices are kept.

All payments for approval are listed in the minutes.

The financial detail reported in the draft Section 2 – Accounting Statements 2025/26 reflects the detail in the account records maintained for the financial year.

**RECOMMENDATIONS:**

- *I would recommend that the audit trail be improved by including the balance of the Council's bank accounts in the minutes each month. This could be achieved by including the approved bank reconciliation in the minutes as an appendix.*

**K. If the authority certified itself as exempt from a limited assurance review in the prior year, it met the exemption criteria and correctly declared itself exempt: N/A**

The Parish Council was not exempt from an external audit in 2024-25 as receipts and payments both exceeded £25,000.

**L. The authority publishes information on a website/web page, up to date at the time of the internal audit in accordance with the relevant legislation: Y**

The Council publishes all required information on a website in accordance with the relevant legislation.

**M. In the year covered by this AGAR, the authority correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations: Y**

The Notice of the Period for the Exercise of Public Rights published on the website correctly identified a 30-working day period and the published date of announcement was more than 1 day before the commencement date.

The dates of the Period for the Exercise of Public Rights in relation to the 2024/25 AGAR were published in the minutes.

**N. The authority has complied with the publication requirements for the 2024/25 AGAR: Y**

The Council met the publication requirements in relation to the prior year's AGAR.

**O. The authority complied with laws, regulations & proper practises relating to digital and data compliance: Y**

The Council's website and email addresses are hosted on a .gov.uk domain.

The Council has implemented the required documents: IT Policy, Data Protection Policy, Privacy Notice, Publication Scheme and Website Accessibility Statement.

The Council is registered with the Information Commissioner's Office.

The Council's Data Audit was last approved in 2018.

The website accessibility statement is out of date.

**RECOMMENDATIONS:**

- *The Data Audit should be updated and approved by the Council as soon as possible.*
- *The Council's website provider should be contacted about the website's accessibility statement; the provider should confirm that the website they provide the Council is compliant with the Web Content Accessibility Guidelines version 2.2 AA standard and the accessibility statement should be updated.*

- *The Council should routinely test the website's accessibility using one of the freely available website accessibility evaluation tools.*

**P. Trust funds (including charitable) – the Council met its responsibilities as a trustee:**

**N/A**

Not Applicable.

I recommend that the Council also considers the following actions to maintain good governance:

- *The Scheme of Delegation should be updated to include the powers and responsibilities that have been delegated to the Recreation Ground Committee.*

It is my opinion that the records and procedures in place for the Council provide a good standard of control. This report should be taken to the next meeting of the Council to inform Councillors of the findings and recommendations of the Internal Audit.

Yours sincerely,

Helen du Bois, CiLCA  
Internal Auditor to the Council  
h.dubois@btinternet.com

The figures submitted to me for Section 2 – Accounting Statements in the Annual Governance and Accountability Return were:

	<b>Year ending 31 March 2025</b>	<b>Year ending 31 March 2025</b>
1. Balances brought forward	49,653	46,531
2. Annual precept	31,250	38,172
3. Total other receipts	22,215	28,088
4. Staff costs	8,240	10,498
5. Loan interest/capital repayments	0	0
6. Total other payments	48,347	32,712
7. Balances carried forward	46,531	69,581
8. Total cash and investments	46,531	69,581
9. Total fixed assets and long-term assets	198,243	198,244
10. Total borrowings	0	0

**END**