

Annual Internal Audit Report 2024/25

Stoke Mandeville Parish Council

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During the financial year ended 31 March 2025, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2024/25 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	Yes		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	Yes		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Yes		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	Yes		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			N/A
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.	Yes		
H. Asset and investments registers were complete and accurate and properly maintained.	Yes		
I. Periodic bank account reconciliations were properly carried out during the year.	Yes		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	Yes		
K. If the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")</i>			N/A
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.			N/A
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(during the 2024-25 AGAR period, were public rights in relation to the 2023-24 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).</i>	Yes		
N. The authority has complied with the publication requirements for 2023/24 AGAR <i>(see AGAR Page 1 Guidance Notes).</i>	Yes		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
	Yes		

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

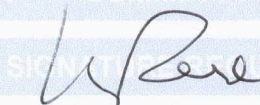
Date(s) internal audit undertaken

Name of person who carried out the internal audit

03/05/2024 21/03/2025

Kevin Rose ACMA- IAC Audit & Consultancy Ltd

Signature of person who carried out the internal audit



Date

05/04/2025

***If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).**

****Note:** If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).



Tony Skeggs
Parish Clerk
Stoke Mandeville Parish Council
The Community Centre
Eskdale Road
Stoke Mandeville
HP22 5UJ

25th March 2025

Dear Tony,

Pre Year-End Internal Audit

An audit was carried out by Kevin Rose on Thursday 21 March 2024. This was the pre year-end internal audit, part of the annual internal audit coverage of the Council. Prior to the audit a 'Pre-Audit' was carried out remotely which tested items which are required to be published on the Councils website.

The audit was undertaken using the standard IAC Audit Checklist, that we use for all Local Councils, which has 209 items. A total of 150 items were tested during this audit, including items that were examined and tested as part of the pre-audit process. A balance of 59 items remain to be tested.

The following 'Internal Control Objectives' of the Annual Internal Audit Report (part of the AGAR) were checked and confirmed as being Not Applicable to your Council for this financial year.

- Petty cash (Box F)
- Exemption from External Audit (Box K)
- the Transparency Code (for Smaller Authorities) (Box L)

Areas subject to audit were;

- the Accounting system and records (Box A)
- the Payment system (Box B)
- Risk and insurance (Box C)
- Budget and precept setting and monitoring (Box D)
- Income billing, collection and VAT (Box E)
- Payroll(Box G)
- Bank reconciliations (Box I)
- Accounting Statements (Box J)
- Trust Funds (Box O)

Of the 124 applicable items tested a Positive response was obtained in respect of 119 tests. There were 5 Negative responses identified and 8 Observations were made, details of which are set out in the attached Interim Internal Audit Observations.

Summary of tests undertaken during this audit

Positive response	119
Negative response	5
Not Applicable to your Council	26
Total tests carried out	<u>150</u>

I am pleased to advise that no 'Non-Compliances' were identified at this stage that would give rise to a negative response on the statutory Annual Internal Audit Report.

I would like to express my thanks for the hospitality and assistance provided to me during my audit.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'K. Rose'.

Kevin Rose ACMA
Director

Stoke Mandeville Parish Council
Financial Year 2024-25



Audit date: 21 March 2024

Visit 1 Internal Audit Observations

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

B

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Are the regulations the current version of the Model Regulations?	No	<i>The Financial Regulations in use are not the latest version of the NALC Model Financial Regulations.</i>	Council to review and update its Financial Regulations.	Medium	The latest version will be reviewed and adopted once the new Council is in place.

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

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Minutes reviewed and no 'unusual activity' identified (interim - give date of last Minutes reviewed)	Yes	<i>From a review of Minutes it was not possible to determine when Minutes of the Finance Committee Meeting of 11th April 2024 were subject to review by Full Council.</i>	The Council to review and confirm whether the Minutes of 11th April have been received by Full Council and, if they have not, arrange for them to be formally submitted.	Medium	These will be reviewed at the Full Council meeting in April 2025.
2	The Council, meeting as a whole, has reviewed the effectiveness of its internal control system as required by Regulation 6 of the Accounts and Audit Regulations 2015	No	<i>Minutes of the Finance & Governance Committee of 11th February record review of the Internal Control Policy. It was noted that this document is not posted on the Councils website. It was not possible to confirm that the Council has reviewed the 'effectiveness' of its internal control system as required by Regulation 6 of the Accounts and Audit Regulations 2015.</i>	Council to note the statutory requirement for it to regularly review the 'effectiveness' of its internal control system. It may be appropriate for the Council to do this after receipt of the Annual Internal Audit Report. The Council to consider publishing the Internal Control Policy on its website.	High	I will arrange for the 'effectiveness' to be reviewed once the new Council is in place. I have uploaded the Internal Control policy to the website.

3	The council has reviewed its insurance requirements	No	<i>From a review of Minutes it was not possible to verify that the Council has reviewed its insurance requirements during the year although it has been subject to review by the Clerk who advised that he had informed the insurance company of the new building valuation.</i>	The Council, or nominated committee, to regularly review and update its insurance requirements.	Medium	In future once the Pre-Renewal Questionnaire is received I will take this and the schedule to a Finance & Governance Committee.
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D *The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.*

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	The Council has reviewed any points raised by the Internal Auditor as required	Yes	<i>It was noted that Council formally reviewed, in detail, the report of the Internal Auditor at a meeting held in June, after the May meeting at which the Annual Governance Statement was approved.</i>	The Council to note that, in order to give a positive response to Assertion 6 of the Annual Governance Statement, it should receive and consider the Annual Internal Audit Report prior to the approval of the Annual Governance Statement.	Medium	Noted

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

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	VAT has been promptly reclaimed	Yes	<i>The Parish Council now acts as Sole Managing Trustee of the Community Hall. The Council does not currently reclaim VAT in respect of the Charity (See VAT Notice 749 paragraph 6.5)</i>	The Council to note that, as a Section 33 body acting as Sole Managing Trustee, the Council may recover VAT in relation to a Charity under the provision of VAT Notice 749.	High	I have contacted Rialtas. They are unable to help. Need to contact HMRC to see how to recover the VAT.

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.*

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Salaries paid agree with those approved by the council	No	<i>It was noted that the monthly gross pay for the Clerk and Deputy Clerk appears to be lower than the pro rata pay computed during the audit visit.</i>	The Council to review the salaries paid and verify whether they are correct. Council also review arrears of pay to ensure that these were computed correctly.	High	Have contacted BAS Associates. An adjustment has been put through in March to correct the underpayment.

L *The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.*

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	The Council has complied with the publication requirements of the ICO Model Publication Scheme for Parish Councils. (This includes a requirement to publish expenditure over £100 the Annual Internal Audit Report).	No	<i>The Council has adopted a Publication Scheme however this is not the latest version of the ICO Model Publication Scheme for Parish Councils.</i>	<p>The Council should note the legal requirements to publish information in accordance with the ICO Model Publication Scheme (version 3).</p> <p>Although this is not a requirement under the Accounts and Audit Regulations 2015, the Council should note that it is a statutory requirement under the Freedom of Information Act.</p>	Advisory	I have reviewed the ICO Model Publication Scheme and updated the PC publication scheme to account of the changes. It will go to the next Finance & Governance committee.

Section 1 – Annual Governance Statement 2024/25

We acknowledge as the members of:

ENTER NAME OF AUTHORITY

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2025, that:

	Agreed		'Yes' means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.			<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.			<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.			<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.			<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.			<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.			<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.			<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.			<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A <i>has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>

***Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.**

This Annual Governance Statement was approved at a meeting of the authority on:

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

Signed by the Chair and Clerk of the meeting where approval was given:

Chair

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

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Section 2 – Accounting Statements 2024/25 for

ENTER NAME OF AUTHORITY

	Year ending		Notes and guidance
	31 March 2024 £	31 March 2025 £	
			<i>Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.</i>
1. Balances brought forward			<i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>
2. (+) Precept or Rates and Levies			<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts			<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs			<i>Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.</i>
5. (-) Loan interest/capital repayments			<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments			<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward			<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments			<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.</i>
9. Total fixed assets plus long term investments and assets			<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
10. Total borrowings			<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)				<i>The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.</i>
11b. Disclosure note re Trust funds (including charitable)				<i>The figures in the accounting statements above exclude any Trust transactions.</i>

I certify that for the year ended 31 March 2025 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

SIGN *A. Skeggs* QUIRED

Date

DD/MM/YYYY

I confirm that these Accounting Statements were approved by this authority on this date:

DD/MM/YYYY

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chair of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED

Stoke Mandeville Parish Council

Income and Expenditure Account for Year Ended 31st March 2025

31st March 2024		31st March 2025
	Income Summary	
208,140	Precept	209,390
167,247	s106 funding	0
375,387	Sub Total	209,390
	Operating Income	
42,021	Receipts	48,224
0	Field hire - DEPOSITS	700
417,408	Total Income	258,314
	Expenditure Summary	
0	Com Centre Solar Panels	4,167
1,400	Footpath Around Playing Field	0
9,035	Marsh Lane Land	24,325
10,435	Sub Total	28,492
	Running Costs	
65,504	Core Costs	92,798
4,000	Community Centre	5,673
18,797	Open Spaces	29,171
855	Allotments	353
1,135	Burial Ground	699
8,177	Street Lighting	9,157
11,728	Street Furniture	13,432
25,816	Parish Improvement Plan	14,613
1,590	Section 137	8,160
0	Field hire - DEPOSITS	700
170,168	Play Related	3,138
1,196	Community Events	8,676
319,400	Total Expenditure	215,062
	General Fund Analysis	
347,799	Opening Balance	445,807
417,408	Plus : Income for Year	258,314
765,207		704,121
319,400	Less : Expenditure for Year	215,062
445,807		489,059
0	Transfers TO / FROM Reserves	0
445,807	Closing Balance	489,059