

Narrative Internal Audit Report

to be read in conjunction with the Annual Internal Audit Report in the
Annual Governance and Accountability Return 2025 - 2026

Name of Authority:	Stanton under Bardon Parish Council		
Name of Internal Auditor:	Catherine Voyce	Year ending:	31 March 2026
Date audit carried out:	9 May 2026	Date of report:	10 May 2026

As internal auditor, I confirm that I am independent of your authority and competent as required by the Smaller Authorities Proper Practices Panel (SAPPP) *Practitioners Guide*. I confirm that I have no connection with your authority that will conflict with my role as internal auditor and that I am not involved in any aspect of decision-making, management or control of your authority.

Internal audit is the periodic independent review of an authority's internal controls. This should result in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the authority's internal controls should be a day-to-day function 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 an authority 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 proper practices referred to in the [Local Audit and Accountability Act 2014](#) and [Accounts and Audit Regulations 2015](#) are set out in the *Practitioners Guide*. This is a guide to the accounting practices to be followed by local councils which sets out the appropriate standard of financial reporting to be followed.

- Section 4.11 of the *Practitioners' Guide* asserts that the personal, financial and professional independence of the appointed person or firm should be reviewed every year.
- Section 4.16 requires that authorities should carry out a review of the effectiveness of their overall internal audit arrangements, at least once each year.
- In addition, section 1.38 specifies that the authority is required to have considered all matters brought to its attention by its external auditor and internal audit and taken corrective action as appropriate.

Failure to take appropriate action may lead to a qualified audit opinion.

This report is addressed to your chair for circulation to all members. It should be considered in a meeting of the full council or parish meeting.



To the Chair of Stanton under Bardon Parish Council

Accounting Records

All information was correctly recorded in the financial ledger and all appeared to be in order. Accounting statements prepared throughout the year using Scribe accounting software. Payments in the ledger were covered by invoices and minuted and authorised in Council. Bank statements were reconciled monthly, and all appeared to be in order. VAT was recorded correctly and there was evidence of two claims in year 2025-2026. On the sample payments scrutinised, there was a clear audit trail throughout the process. Year end accounts prepared, bank statements and ledgers reconciled ready for Council sign off. Sections 1 and 2 of the Annual Return was drafted ready for Council sign off.

General

Council procedure and administration was in order. Minutes were signed at Council meetings but signed copies were not displayed on the website. Standing Orders and Financial Regulations are based on NALC models and are reviewed annually. Procedures for tenders/quotes are following and procedures for receipt of invoices, approval, payment and confirmations have been evidenced. S137 payments recorded in minutes and a separate report. Spending within limit allowed. Councillor Declaration of Interests forms linked to District Council website.

Risk Management

A scan of minutes did not show any unusual activity. The Annual Risk Assessment was reviewed in May 2025. Play equipment was checked for safety on a weekly basis by the Clerk. The Clerk has received training for this purpose. Independent checks for wear and tear were carried out three times per year as well as an annual RoSPA standard check.

Budget/Precept

The annual budget and precept was approved by Council on 14 January 2026. Reserves were high due to an historical land sell-off by the Council. This was allocated for various earmarked reserves for future capital projects. One of these projects was planned to commence in year 2026 /2027.

Income

Income from allotments was recorded and invoices issues annually.

No Cemetery.

Petty Cash

A petty cash system had been introduced in year 2025-2026. Currently this is maintained in paper format. Clerk is planning to add it to the Scribe accounting program currently in use.

Salaries/Employee

Two employees. There are contracts of employments in place. Tax, NI and Pension is recorded in the ledger. Council registered with the Pensions Regulator.



Asset Control

Formal asset register is maintained, updated and reviewed annually and is displayed on the Council website.
Asset register correlates with asset register.
Replacement insurance cost is reported.

Website/Assertion 10

ICO publication scheme tailored to Council and published on website – next review May 2026.
Accessibility of website test has been carried out and reported to Council in March 2026.
GDPR Policies approved by Council and on website.
Records and data management policy approved by Council. Audit of data to be carried out during the year.
Email and Council website uses .gov suffix.

Transparency

All published on website:
-year end accounts / accounting statements
- Annual Governance Statement
- Internal and External Audit Reports
- Asset Register

Agendas and minutes published and draft minutes issued within one month of the meeting.
The website is well-managed and documentation is easy to find.

Exercise of Public Rights

The notice of public rights was issued and uploaded to the website within the time frame.

AGAR publication for year 2024-25 displayed on website as required.

Miscellaneous

No committees.
No Trust funds.

Thank you to Clerk, Joanne Lowe for her co-operation and helpfulness during the audit. The Clerk has continued to improve the administration and management of the Council. Record keeping and accounting is excellent.



Reports from internal and external auditors 2024-2025

All smaller authorities	
Have comments from the internal audit 2024-2025 been considered and addressed?	
Comment from internal auditor 2024-2025	Response from internal auditor for this report
Council to keep separate accounts for their Section 137 expenditure as such in the minutes.	Section 137 expenditure was recorded in the minutes in February 2026 and March 2026. A separate report is also maintained and uploaded onto the Council website.
Minutes relating to S137 expenditure refer to PC Grant Scheme not specifically as S137 expenditure.	Minutes now state donations in the form of S137 expenditure.
<i>Please add additional boxes as required.</i>	
<i>If the internal auditor had no recommendations or comments, please record None rather than deleting this table.</i>	

Smaller authorities subject to a Limited Assurance Review for 2024-2025	
Have comments from the external audit 2024-2025 been considered and addressed?	
Comment from external auditor 2024-2025	Response from internal auditor for this report
Boxes 1-6 not arithmetically adding up. Out by £1 in box 7.	Boxes 1-6 arithmetically add up to box 7.
Box 11a not completed on Section 2.	Amended in year 2024-2025.
Insufficient information on box 10.	Amended in year 2024-2026.
Earmarked reserves labelled as "investments".	Earmarked reserves now clear identified for future capital spending projects. Reserves Policy in place.
<i>Please add additional boxes as required.</i>	
<i>If the external auditor had no recommendations or comments, please record None rather than deleting this table.</i>	

Recommendations from internal auditor 2025-2026

All smaller authorities	
Recommendations for action from internal auditor for this report	
Areas for consideration or improvement	Recommendation from internal auditor for this report
Accessibility of website was checked and reported to Council.	Accessibility statement to be uploaded to Council website and the date it was checked.
Petty Cash system	Petty cash system to input to Scribe Accounting software.
Only the Clerk has pin number for Council bank card.	A Councillor should also have a note of the pin number.
Agenda for Annual Meeting of Council May 2025 correct in first item being to appoint the Chairman. The minutes of the meeting recorded that the first item did not appoint the Chairman; a planning application was discussed.	Ensure that the Agenda is followed and that the first item of the meeting is to appoint a Chairman.
<i>Please add additional boxes as required.</i>	
<i>If the internal auditor has no recommendations relating to areas to be considered or improved, please record None rather than deleting this table.</i>	

Annual Internal Audit Report 2025/26

Internal control objective		Explanation if required
A <i>Appropriate accounting records have been properly kept throughout the financial year.</i>	Yes	
B <i>This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.</i>	Yes	
C <i>This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</i>	Yes	
D <i>The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.</i>	Yes	
E <i>Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.</i>	Yes	
F <i>Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.</i>	Yes	
G <i>Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.</i>	Yes	
H <i>Asset and investments registers were complete and accurate and properly maintained.</i>	Yes	
I <i>Periodic bank account reconciliations were properly carried out during the year.</i>	Yes	
J <i>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.</i>	Yes	
K <i>If the authority certified itself as exempt from a limited assurance review in 2024/25, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2024/25 AGAR tick "not covered")</i>	Not covered	
L <i>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</i>	Yes	
M <i>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 (during the 2024-2025 AGAR period, were public rights in relation to the 2024-25 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).</i>	Yes	
N <i>The authority has complied with the publication regulations for 2024/25 AGAR (see AGAR Page 1 Guidance Notes)</i>	Yes	
O <i>The authority has complied with laws, regulations & proper practices relating to digital and data compliance</i>	Yes	Accessibility statement to be uploaded to website.
P <i>(For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee</i>	Not applicable	



Section 2 - Accounting Statements 2025/26

	Year ending		Notes and guidance
	31 March 2025 £	31 March 2026 £	
			<i>All figures should be rounded to the nearest £. 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	131,717	706,722	<i>Total balances and reserves at the beginning of the year are recorded in the financial records. Value musty agree to Box 7 of previous year.</i>
2. (+) Precept or Rates and Levies	18,697	19,956.53	<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	622,743	70,754.04	<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	24,084	36,182.28	<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	0	0	<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	42,352	55,659.34	<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	706,722	705,590.53	<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	706,722	705,590.53	<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	230,390	230,390	<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	0	0	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>

For Local Councils only

11. Do the figures in the accounting statements above exclude any trust transactions	Yes	<i>For guidance refer to the Practitioners' Guide sections 2.31 to 2.33.</i>
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Yours sincerely,

Catherine Voyce

LRALC Internal Auditor

