

Internal Audit

Duns Tew Parish Council

Year ending March 2025

Internal auditor Lisa Wilkinson

This internal audit report is based upon the Practitioners' Guide 2025: Governance and Accountability for Smaller Authorities in England.

Name of Council	Duns Tew	Name of Clerk to the Council	Fay Friend
No. Of Councillors	7	Name of RFO	Fay Friend
Quorum	3	Precept (for audit year)	£22,000
Electorate		Gross budgeted income	£27,508

A sample-based review was carried out, assessing relevant policies, procedures, and controls. Findings were referenced through the examination of digital records, paper documentation, and a review of the parish council's website.

This report highlights the issues identified during the internal audit but does not provide an exhaustive list of all potential weaknesses or areas for improvement.

Internal control objective	Response	Notes/Recommendations
<p>A. Appropriate accounting records have been properly kept throughout the year</p>	<p>Yes</p>	<p>Receipts and Payments accounting is used and the cash book is kept up to date and balanced. The accounting software (Scribe) is appropriate for parish council use.</p> <p>The opening balances in the cashbook agree to the audited accounts for 23-24, as published on the Council website. The opening balance on the bank accounts was £41,115.95 This agrees to box 8 on the audited accounting statements for 23-24</p> <p>The closing balance for 2024-25 is £29,962.88 agreeing to the end of year bank statement. General Power of Competence has been adopted: minute ref: 16th May 2022 Minute 22.27 Bank reconciliations are carried out monthly and checked by councillors at each meeting.</p> <p>The council's accounting records are up to date and well maintained. Council minutes are published within a month as draft and signed at the following meeting. They are displayed on noticeboard and website. Agendas include summons to Councillors, are signed by the clerk and are displayed 3 clear days before the meeting.</p>

Internal control objective	Response	Notes/Recommendations
<p>B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for</p>	<p>Yes</p>	<p>The latest model standing orders and financial regulations have been adopted. Both are reviewed annually. No publicly advertised contracts were undertaken this year.</p> <p>Standing orders and financial regulations specify the same tender thresholds. Payments are supported by invoices which are verified by the clerk. A record is made of which councillors provided authorisation and that is minuted.</p> <p>All payments are agreed and listed in the minutes. Payments require two councillors' signatures/dual authorisation for online payments. All councillors are signatories and the bank mandate is up to date.</p> <p>Recommend that when receiving quotes for projects at a meeting, a clear minute is made, for example: 'three quotes have been received for the purchase of: quote A for £..., quote B for and quote C for It was resolved to go with quote C at the cost of £..... with company'.</p>

Internal control objective	Response	Notes/Recommendations
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes	A risk assessment is held and reviewed annually. Last review was May 2024. The insurance cover is reviewed annually in May. A long-term agreement is in place until May 2027. Appropriate levels of insurance cover are in place including public liability and employers' liability. The playground is inspected annually by a ROSPA approved company and has regular visual checks by councillors. The Council is registered with the ICO.

Internal control objective	Response	Notes/Recommendations
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate	Yes	The Full Council formally agreed a budget for financial year 2024-25 at the January 24 council meeting. The full council also agreed the precept of £22,000 at the January 2024 meeting. Actual versus budget reports are published and authorised at each meeting. Earmarked and general reserves were reviewed in September 2024 ahead of the budget setting for the following year. Any significant variances are noted and authorised. Both general and earmarked reserves are approved regularly.

Internal control objective	Response	Notes/Recommendations
E. Expected income was fully received based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.	Yes	The precept received agrees to Council and Government records. VAT reclaim was provided for Qs 2, 3 and 4 for the financial year.
F. Petty Cash payments were properly supported by receipts; all petty cash expenditure was approved		There is no petty cash.

<p>and VAT appropriately accounted for</p>		
<p>G. Salaries to employees and allowances to members were paid in accordance with the authority's approvals, and PAYE and NI requirements were properly applied</p>		<p>The clerk has a contract of employment. The Council is registered with HMRC and PAYE etc is dealt with appropriately. A pension has been offered.</p>
<p>H. Asset and investment registers were complete and accurate and properly maintained</p>		<p>The asset register was reviewed in July 2024. Assets are on the register at cost value. There have been no disposals this year. New playground equipment has been added. Recommend that at each annual review, the minutes list disposals and additions clearly and a total value is also minuted.</p>
<p>I Periodic bank account reconciliations were properly carried out during the year.</p>		<p>Bank reconciliations are carried out monthly and authorised at bi-monthly Council meetings. End of year bank reconciliation was provided and agrees to the bank statement. There were no unrepresented payments or receipts.</p>
<p>J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cashbook, supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded</p>		<p>Accounting statements were correctly prepared on a receipts and payments basis. Box 2 agrees to the value of the precept received. Payments and receipts agree to the cashbook. The value of box 8 agrees with the bank statements and bank reconciliation.</p>

<p>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.</p>	<p>N/A</p>	
<p>L. The authority publishes information on a free to access website / web page, up to date at the time of the internal audit in accordance with any relevant transparency code requirements</p>		<p>The Council has published, for the prior financial year, all the information as required by the Transparency Code:</p> <ul style="list-style-type: none"> • End of year accounts • Annual governance statement • Internal audit report • List of councillor or member responsibilities
<p>M. The authority, during the previous year, correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations</p>		<p>The Notice of Public Rights was published correctly and dates minuted.</p>
<p>N. The authority complied with the publication requirements for the prior year AGAR.</p>		<p>The Annual Governance Statement, Accounting Statements and External Auditor report for 2023-2024 are published on the website at time of this internal audit (March/April 2025). The AGAR was approved and minuted at the May 2024 Council meeting.</p> <p>Please ensure that the Annual Governance Statement and the Accounting Statements have separate minute references as per the AGAR guidelines in the Practitioner’s Guide 2025.</p> <p>Internal control effectiveness report was agreed in July 2024</p> <p>Recommend that details of this are minuted or the report published either as an appendix in the minutes or published separately.</p>

O. Trust funds (including charitable) - the Council met its responsibilities as a trustee		The council is not a trustee.
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Internal control objective	Response	Notes/Recommendations
Miscellaneous	Yes	
Website Accessibility		An accessibility statement is available. Documents are mainly published as pdfs.
Members' interests		Code of conduct was reviewed in 2022 when the County Council updated it. Members are asked to declare any interests on the agenda at the start of each meeting. Register of Members' Interests are held at Cherwell District Council. Recommend having a link to these on the PC website.
Policies		GDPR: Freedom of Information Publication scheme Privacy Notice Data Protection policy - recommend tailoring this to the council Please ensure policies are updated regularly. A timetable could be drawn up ensuring that polices are reviewed every 2/3 years or when legislation changes. Exceptions to this are the financial regulations, standing orders and risk assessment which need reviewing annually.
S137/General Power of Competence		General Power of Competence has been adopted.

Any further comments

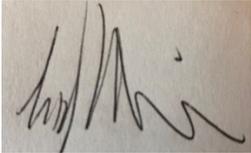
There are adequate governance and financial procedures in place but please note the following recommendations:

- when receiving quotes for projects at a meeting, a clear minute is made, for example: 'three quotes have been received for the purchase of: quote A for £....., quote B for and quote C for It was resolved to go with quote C at the cost of £..... with company'.
- details of the review of effectiveness of internal control are minuted or the report published either as an appendix in the minutes or published separately.
- At each annual review of the asset register, the minutes of the meeting must list disposals and additions clearly and the new total value should also be minuted.
- the Annual Governance Statement and the Accounting Statements must have separate minute references as per the AGAR guidelines in the Practitioner's Guide 2025.
- policies should be updated regularly. A timetable could be drawn up ensuring that polices are reviewed every 2/3 years or when legislation changes. Exceptions to this are the financial regulations, standing orders and risk assessment which need reviewing annually.
- Please tailor the Data Protection policy to the Council.
- a link to the District Council page for the Register of Members' Interests should be put on the PC website

Thank you for undertaking the majority of last year's recommendations. However, the recommendation for page numbers added to the minutes has not yet been undertaken.

Acknowledgments

The help and co-operation of Fay Friend is greatly appreciated.

<p>Internal audit carried out by</p>	<p>(signed)</p> 	<p>(print)</p> <p>Lisa Wilkinson</p>
<p>Audit type (delete as appropriate) Date 07/05/2025 Part 3 of Annual Return form completed and signed</p>	<p>INTERIM ANNUAL</p> <p>7\5\2025</p>	