Annual Internal Audit Report 2025/26

Stoke Mandeville Parish Council

www.stokemandeville-pc.gov.uk

During the financial year ended 31 March 2026, 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 2025/26 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. Cash payments were properly supported by receipts, all 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 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")*			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.	Yes		
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 *(during the 2025/26 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).*	Yes		
N. The authority has complied with the publication requirements for 2024/25 AGAR *(see AGAR Page 1 Guidance Notes).*	Yes		
O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.	Yes		
	Yes	**No**	**Not applicable**
P. **(For local councils only)** Trust funds (including charitable) – The council met its responsibilities as a trustee.	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: 05/04/2025 19/03/2026

Name of person who carried out the internal audit: Kevin Rose ACMA- IAC Audit & Consultancy Ltd

Signature of person who carried out the internal audit

Date: 22/04/2026

***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

30th April 2026

Dear Tony,

Year End Internal Audit Report

An audit was carried out by Kevin Rose on Friday 17 April 2026. This was the Year End audit following on from the interim audit carried out on 19 March 2026.

The audit was undertaken using the standard IAC Audit Checklist, which we use for all Local Councils, which has 210 items. A total of 74 items were tested during this audit in addition to the 136 items tested and checked during the interim audit process. All items on the checklists were tested during the year.

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)

(Please refer to the explanation of my 'Not Covered' responses on Page 3)

Areas subject to audit were;

-the Payment system (Box B)
-Risk and insurance (Box C)
-Budget and precept setting and monitoring (Box D)
-Petty cash (Box F)
-Payroll(Box G)
-Assets and investments (Box H)
-Bank reconciliations (Box I)
-Accounting Statements (Box J)
-Exemption from External Audit (Box K)
-the Transparency Code (for Smaller Authorities) (Box L)
-the Publication of the Annual Governance and Accountability Return (Box N)
-Trust Funds (Box P)

Summary of tests undertaken during this audit

Positive response	29
Negative response	4
Not Applicable to your Council	41
Total tests carried out	**74**

Of the 74 applicable items tested a Positive response was obtained in respect of 29 tests. There were 4 Negative responses identified and 5 Observations were made, details of which are set out in the attached Year End Internal Audit Observations.

Based on the internal audit testing carried out I am satisfied that the internal controls in operation during the period were effective for the 2025/26 financial year.

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

Yours sincerely,

Kevin Rose ACMA
Director

Internal Audit 'Not Covered' Responses

Internal Control Objective	Reason for Not Covered Response
F: Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	The reason for the Not Covered response for Objective F is that we understand that your Council does not maintain a Petty Cash. (Note: Where cash is held as a cash float, solely for the purpose of providing change, this is covered in our response to Internal Control Objective I)
K: 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”	The reason for the “Not Covered” response for Objective K is that it is not applicable to your Council as the Council did not certify itself exempt from a limited assurance review for the relevant financial year.

Stoke Mandeville Parish Council
Financial Year 2025-26

Date considered by Council ____________________

Year End Internal Audit Observations

Minute Reference ____________________

IAC Audit and Consultancy Ltd

Audit date: 17 April 2026

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	Council has reviewed independence of the Internal Auditor	No	*It was noted that the Council has not formally considered the independence of the Internal Auditor as set out in the Practitioner's Guide paragraph 4.11*	The Council to ensure that , on an annual basis, it formally considers the independence of the Internal Auditor. It may be appropriate for this to be done at the same time as the Council considers the Annual Internal Audit Report.	Medium	

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

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	The Year End bank reconciliations have been signed and dated as evidence of independent review.	No	*The Year End bank reconciliations have not been signed and dated as evidence of independent review.*	Prior to the Council's approval of the Accounting Statements the year end bank reconciliations should be subject to review and signed and dated as evidence of this review.	Medium	
2	Bank statements are available to for all bank accounts as at 31st March.	No	*Bank statements confirming the year end balances held with Nat West and Hinckley were not available at the date of the year end internal audit.*	Council to note that bank statements as at the 31st March were not available for all bank accounts and that these balances could not be confirmed as part of the Internal Audit. The Council to ensure that these statements are available prior to the formal approval of the year end bank reconciliation.	High	

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.***

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Current year end accruals and prepayments are reasonable and accurate [Year End]	Yes	*It was noted that there is an income in advance in respect of funds raised for War Memorial. It is unclear that this is income in advance and it probably should have been accounted for as an Earmarked Reserve,*	Council to note that the income received in respect of the War Memorial should have been accounted for through Reserves rather than being recorded as a liability.	Medium	

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

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	The Council has conducted a data audit in accordance with GDPR practice.	No	*As at the date of the internal Audit the Council has not undertaken a formal audit of the personal data it holds.*	The Council should ensure that it conducts an audit of the personal data it holds.	High	