

Stockton Parish Council Internal Audit Year Ending 1st April 2025

In accordance with the instructions and Internal Audit Terms of Reference 2024 – 2025 received from the Clerk of Stockton Parish Council, Mr W Robinson, I have conducted an Internal Audit of the Parish records, together with the Annual Governance Statement and Accounting Statements for the period 31st March 2024 to 1st April 2025. The report below sets out my findings and conclusions and I confirm the Internal Audit was completed on 25th May 2025.

I have been informed that Stockton Parish Council updates their web site regularly to include the Government's directive 'Transparency Code for Smaller Authorities' which requires smaller Council's to publish all their policies and procedures, together with their financial records. As part of the Internal Audit, I confirm that I have undertaken a review of the website as well as the hard copies of the documents provided.

Bookkeeping

- Receipt and payment entries in the cashbook were checked and found to be up to date, correct and supported by the appropriate documentation.
- All payments were properly authorised by two authorised signatories of Stockton Parish Council.
- In addition, an audit trail of the following cheques was carried out: -

Sample Payments reviewed for the Year 31st March 2024 to 1st April 2025

Payments

<u>Cheque Number</u>	<u>Amount</u>	<u>Payee</u>	<u>Invoice date</u>
001699	£ 270.00	Midland Sign & Lighting - repair	15/04/2024
001700	£ 532.00	WALC Annual Fees	15/04/2024
001710	£1,439.40	Gallagher – annual insurance	17/06/2024
001718	£ 90.00	Pear Technology – cemetery mapping	15/07/2024
001741	£ 83.98	H. Collerson – school garden	18/11/2024
001746	£1,410.00	F. Mann Farmers	16/12/2024
001755	£1,000.00	Stockton V. Hall Comm - grant	17/03/2025

Deposits/Receipts

- Receipts were banked in a timely manner.
- Sample receipts and an audit trail of the following receipts was undertaken: -

Received from	Paying in ref	Amount	Date
SDC (first ½ year Precept)	BGC	£15,500.00	18/04/2024
Stockton Playing Field Committee	Deposit	£ 2,485.00	27/08/2024
SDC CIL Payment	BGC	£ 4,069.22	02/12/2024
Goodwin & Son – Burial fee	Deposit	£ 300.00	06/01/2025

Checks were made of all invoices and receipts to the end of year, no discrepancies were found. All cheque audit trails were correct, all cheques matched invoices.

Budget Monitoring Reports and bank reconciliation had been prepared regularly and presented to Stockton Parish Council.

Standing Orders, Financial Regulations and Policies

- Standing Orders are reviewed 3 yearly, next review due 2026. They are available on the parish website.
- All payments are supported by the appropriate invoices, and they have been properly authorised by an Officer/Member of Stockton Parish Council. There is also evidence that the details have been correctly recorded with the corresponding cheque numbers in the Receipts & Payments book.
- I have seen HMRC paperwork showing that a VAT re-payment has been reclaimed for a 3-year period Year ending 31st March 2025. The clerk has confirmed that going forward VAT will be claimed on an annual basis or as required.
- Stockton PC meets the criteria to take the General Power of Competence, this was confirmed at their meeting on 11th May 2023 [Minute02(23-24) - Item 5] therefore, there are no records of any Section 137 payments.
- It was noted that there are minute numbers for each copy of the monthly minutes, available on the Stockton PC web site, also available as hard copies. This enabled confirmation that minute references in the cash book corresponded with those in the minutes.

- Evidence on the Stockton PC web site in the minutes show that most of the policies listed below were reviewed on 19th June 2023, dates for review are listed below:

POLICY	Date agreed	Review
• Asset Register	March 2018	As needed
• Broadcasting & social media guidelines	June 2023	AGM 2026
• Cemetery regulations (not on website)	-	-
• Code of Conduct	May 2023	AGM 2026
• Communications Policy	June 2023	AGM 2026
• Community Engagement Policy	June 2023	AGM 2026
• Complaints Policy	June 2023	AGM 2026
• General Data Protection Regulation	June 2023	AGM 2026
• Emergency Plan & Community Emergency Manual	January 2022	June 2025
• Equal Opportunities Policy	June 2023	AGM 2026
• Financial Regulations (not on website)	August 2023	Bi-annually
• Grant Awarding Policy	June 2023	AGM 2026
• Health & Safety Policy	June 2023	AGM 2026
• Publication Policy	June 2023	AGM 2026
• Purchasing Policy	June 2023	AGM 2026
• Reserves Policy	June 2023	AGM 2026
• Retention of Documents Policy	June 2023	AGM 2026
• Risk Management Policy & Risk Assessment	June 2023	AGM 2026
• Safeguarding Policy for Children & Vulnerable Adults	June 2023	Annually
• Safety Audit of playing field	Ongoing reference	
• Standing Orders	July 2023	AGM 2026
• Training Policy	June 2023	AGM 2026
• Tree Safety Management Protocol - SDC	As advised by SDC	
• Vexatious Complaints Procedure	June 2023	AGM 2026

Risk Management Procedures

- A full review of the minutes has been carried out by accessing the documents on the Stockton PC web site and looking in the Minute Book and there appears to be no unusual activities identified.
- The Index to Register of Burials was included in the documents to view, there is no evidence that a Cemetery Safety Audit was carried out, during the fiscal year 2024/2025 in the minutes. However, it is recorded in the minutes as an on-going reference.
- Stockton Parish Council has insurance through A J Gallagher Community Schemes with Hiscox Insurance Company Ltd, the annual insurance premium was paid on 17th June 2024.

Budgetary Controls

- There is evidence that Stockton Parish Council has considered the level of precept for the year 2024/2025 in the minutes of the meeting held on 16th December 2024. An increase **£31,000** will be requested from SDC due to expected increases to street lighting as well as an increase in mowing fees for the cemetery and extension. Any shortfall to be taken from Parish Council general reserves. The reserves of **£69,253** divided into earmarked reserves totalling £49,000 and a general reserve of £20,253 this is within the NALC recommendations.
- There is evidence on the Stockton PC's website and in the Minute Book that a monthly Budget Monitoring Statement was prepared by the Clerk and sent to Councillors. It is noted that the budget for Stockton Parish Council supports the level of precept requested.
- It was noted that there were hard copies of Budget Monitoring Statements in the documents provided, although there was no evidence that they had been uploaded on to the web site. However, it was also noted that the financial transactions were included in each copy of the minutes on the Stockton PC web site, and they were provided in hard copy in the Minute Book.
- There was no evidence of any loans in place.

Income Controls

- All income appears to have been recorded and promptly banked, where appropriate. It is noted that most other receipts have been paid by bank transfer.

Petty Cash

- Stockton do not use a petty cash system; this has been recorded appropriately on the explanatory sheets for the External Auditor.

Payroll Controls

- The Clerk is the only employee there is no evidence of a review in 2024/2025. The Internal Auditor has seen evidence of Mr Robinson's tax liability for the year 2023/2024 which was discharged **on 1st April 2025 according to the Receipts and Payments Ledger.**

Asset Controls

- Evidence has been seen in the minutes that Stockton PC has agreed and approved the up-to-date Asset Register, 23rd March 2023 - not yet available on website.

Bank Reconciliation

- There is evidence that regular bank reconciliations are carried out in the cash book, together with the provision of a statement for members of Stockton Parish Council.
- No unexplained entries were found.

Register of Interests and Code of Conduct

- **Councillors' register of interests can be found on the Stratford District Council website.**
- **Stockton PC adopted the new model Code of Conduct (published by SDC) in May 2023, it is understood that this will be reviewed by SDC.**

Quotations

- **There was no evidence that any quotations had been received during the financial year 2023/2024.**

Year End Procedures

- The year end accounts have been prepared on the correct accounting basis of receipts and payments.

Emergency Plan and Emergency Manual

- It is noted that Stockton PC has an Emergency Plan which is available on the Stockton PC web site. There is evidence that the Chair of Stockton PC has reviewed and updated the Disaster Plan and was subsequently approved. Due for review in 2025.

The accounts and associated records and documents which were closely examined were accurate and well maintained by the Clerk. The above points are brought to the Council's attention for their consideration:

Stockton Parish Council had cash reserves of **£69,253** at the year-end in the Treasurers Account at Lloyds Bank. This is the carry forward on Statement 12 (2025/2025)

Recommendations:

- It may be appropriate for council to consider internet banking – ongoing.
- Consider compiling a financial procedures process – ongoing.
- Keep up-to-date records of playground inspections – ongoing.
- I was unable to find financial regulations online; to meet transparency guidelines it is advisable to ensure that this document is added to the other policies on the Parish Council website.
- The Parish Council has amassed significant earmarked and general funds. There are plans to use the funds in both the short and long term the future. It would be prudent to discuss preparing an Investment Policy for both short-term and medium-term periods. This will allow access to the funds as needed, whilst accruing interest.
- I can find no evidence of staff appraisal or salary review; effective staffing should be a top priority for any council or business. Stockton has huge benefit from having a highly experienced clerk.
- It is noted that there are ongoing references for safety audits for the playing fields and the cemetery – these should be actioned as soon as possible.
- The budget for training has not been used in 24/25, CPD (continuing professional development) is important for both the Clerk and Parish Councillors. I am aware that the Clerk carries out training for councillors, however other training not covered should be encouraged as needed.

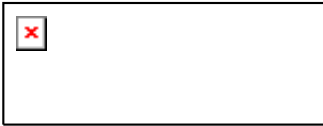
Additional comments and observations

- A new policy for Asset Disposal has been prepared and adopted in June 2024, available in hard copy and online.
- I am pleased to note that the headstone beam system in the extension to the cemetery has been installed – this forward thinking has several benefits:
 - It will standardise the spacing of all future graves
 - Low profile beams allow for easier and safer mowing, operating without damage to headstones or other markers on the beams.
 - It creates a more uniform and aesthetically pleasing appearance, particularly in lawned cemeteries.
 - The standardised platform for memorials, the system can reduce the likelihood of unauthorised or non-standard markers being placed.
 - It is good to note that the parish Council continues to support the village hall by funding the Wi-Fi costs for the building.

Conclusion

Stockton Parish Council's accounts and documents are well maintained and up to date. The comments mentioned above are made by the Internal Auditor for Stockton Parish Council to evaluate and implement, if they consider that they are necessary and appropriate, and they may assist the Council in the smooth running of its business.

Congratulations to Stockton Parish Council, you are forward thinking and continually finding opportunities to make improvements to your "Community."



Georgina Beaumont, CiLCA
Retired Town Clerk (Shipston Town Council)

25th May 2025