Internal Audit Report for Flax Bourton Parish Council

For the Financial Year 1st April 2025 to 31st March 2026

By Olga Shepherd Clerk and Responsible Finance Officer, Barrow Gurney Parish Council

Executive Summary

Acting independently, I have carried out an Internal Audit of the policies and practices of Flax Bourton Parish Council in order to identify the responses that are recorded in the Annual Internal Audit Report return for the year ending 31st March 2026.

This has included inspection of the accounting records, invoices, bank statements, financial reports, minutes together with information from the website.

I have carried out the checks detailed in this report, in order to provide assurance that the Parish Council's systems of internal control, assessment of risk and financial management and accounting are in place that they are adequate for the protection of public money. In my opinions the systems and internal procedures at Flax Bourton Parish Council are well established and followed.

Assertion 10 – Digital and data compliance

Inventory of Personal Data Captured, Stored and Processed by Flax Bourton Parish Council have been implemented in September 2026. The IT Policy has also been implemented.

The council is fully aware of GDPR and has undergone training. It was noted that the council is putting arrangements in place for common email addresses for all council using own domain name. The Clerk confirmed that all councillors will be using their assigned email addresses shortly. This is the only outstanding action the council need to follow to warrant a positive response to Assertion 10, which will be tested in financial year 2026-27.

Signed and Dated: Olga Shepherd 13 April 2026

PROCESSES			
Confirm that the Parish Council's Standing Orders have been reviewed within the last 12 months	*Check the date of adoption. Also that the last review date is within the past year and recorded in the minutes*		Standing Orders up to date, approved in March 2026
Check the draft minutes of the last meeting(s) are on the council's website Check that the minutes of previous meetings are the approved version and that the draft copies have been removed		**Website** Transp. Code	Draft Minutes of 10 March 2025 meeting are posted on the website. All previous approved. Minutes replaced Draft versions.
Check that the council's Financial Regulations are being routinely followed by tracking some sample payments You will be provided with all invoices, receipts, bank statements, cheque stubs, receipt books and petty cash (vouchers and reconciliation) in order to do this.	Chose an appropriate number of sample payments made at different times throughout the financial year and track them from resolution in the minutes through to the payments being made		Sample payments throughout the financial year checked and tracked to resolutions in the minutes
All payments are recorded in the (bi)monthly financial statement, reported by the RFO & minuted	Check the minutes Compare the bank statement against (bi)monthly financial statement to council		Copies of scanned signed payment schedules provided by Clerk. Monthly payment schedules published on agenda and approved payments listed in minutes. Periodic bank reconciliations, account statements and payments schedule provided to the council for approval and it is recorded in Minutes.
Confirm that each payment has been signed by two councillors, who also initialled the cheque stub & that the cheque signing councillors also initial the invoice	Adapt to the Local Councils own practices as detailed in their Financial Regulations e.g. electronic banking must have adequate controls comparable to the two signature rule		Clerks provided selection of invoices – all of them ok.

Confirm all section 137 expenditure meets the guidelines & does not exceed the annual per elector limit	You will need to check the number of the electors in the parish and times this figure by the annual financial limit **- 2025 – 26 £11.10** per elector		No payments under S137 were made under this heading
Confirm that quarterly checks of the accounts are made by a councillor not on the finance committee / group	Check the minutes to ensure this was recorded and reported / minuted at a council meeting		he financial reports and schedules of payments circulated by the Clerk, reviewed by the Cllrs and recorded in minutes
Check the statement of accounts according to the format included in the Annual Return form. Check that the statement of accounts was approved and signed by the Responsible Financial Officer and the Chairman of the meeting approving the statement of accounts.	The statement of accounts should be accompanied by: a) a copy of the bank reconciliation for the relevant financial year, b) an explanation of any significant variances (e.g. more than 10-15 percent, in line with proper practices) in the statement of accounts for the relevant year and previous year c) an explanation of any differences between 'balances carried forward' and 'total cash and short-term investments', if applicable.		The Clerk has prepared and provided the Accounting statement together with the cashbook, bank reconciliations for 31 March 2026.
Check the Annual Governance Statement	According to the format included in the Annual Return	**Website Transp. Code**	Approved AGAR on the website. Detailed in 13th May 2024 minutes. AGAR for 2024/25 has been prepared and Annual Governance Statement to be approved at the next meeting of the Parish Council.
Review the Assets Register and insurance policies, confirm renewal has taken place (i.e. paid) & make a note of each coverage limit	Public liability • Employers liability • Council assets • Fidelity Guarantee Insurance (To cover employee dishonesty)		Asset register is up to date. Insurance in place, expiry date 31 May 2026.
Check that agendas for meetings are published (bi)monthly and giving 3 clear days notice	*The agenda currently on the website may be for a past date - as long as it is not more than a week older than when the last meeting took place, it still demonstrates routine posting*	**Website** Transp. Code	Agendas posted three clear days in advance of meetings.

Confirm that the Parish Council is compliant with the Data Protection Act 1998 and that plans are being put in place to comply with GDPR 2018	*Check that there is a policy document and resolution to comply recorded in minutes*		Data Protection Policy documents available on the website.
Confirm that the Parish Council is compliant with the Freedom of Information Act 2000	*Check resolution to comply recorded in minutes* *Check the log of FOIs received and date responded to within the deadline*		Detailed in 12 May 2025 minutes
Review the Risk Assessment and Management Scheme	*Check the last review date is within the past year and recorded in the minutes*		Risk Assessment reviewed and approved in March 2026
Confirm that regular backups of electronic records are made monthly and an archive copy kept in a second remote location i.e. Cloud, external hard drive and /or that duplicate hard copies of records are kept at an additional remote location.	*Website and email passwords in a sealed envelope and retained by the Chairman is recommended and or "The Chairman's Box" containing duplicate copies of the councils key documents and deeds.*		Regular back up to Googledrive and Onedrive.
Confirm the publication scheme		**Website**	Policy documents available on the website
Confirm the website address and use of parish council emails and that there is a published Accessibility Statement	*Check these comply with requirements*		Emails arrangements are being put in place in the financial year 2026-27.
Confirm that the Parish Council has an IT Policy and Data Asset Register	*This may reflect progress towards a Data Asset Register*		IT Policy and other Data related policies are published on website
COUNCILLORS			
Check the publication of councillor's contact details	*Full home addresses are not compulsory but councillors must be available to be contacted directly by the public by email and/or phone* *Separate council email addresses are preferable to personal email addresses*	**Website** Transp. Code	Councillors contact details on the website
Check that positions that councillors hold on the council are published	*i.e. Chairman, Vice Chairman etc.,*	**Website** Transp. Code	Detailed on website

Check the register of member's interests / Declaration of Interest forms	*Confirm that the register of member's interests has been reviewed within the last 12 months and the Principle Authority informed of any amendments*	**Website** Transp. Code	Detailed on website
Check that representation on external local public bodies (if nominated to represent the council) of each councillor is published		**Website** Transp. Code	. N/A
EMPLOYEES			
Check that the Clerk and Responsible Financial Officer have signed contracts of employment	*The RFO may also be the Clerk.* *The Clerk must be on PAYE and cannot be self-employed i.e. invoicing the council for service provided.*		Clerks Employment contract is in place
Check the contracts of employment and PAYE records	*Confirm that all employees are being paid at correct rate (in accordance with contracts/national living wage/timesheets), with all tax and NI compliance.*		PAYE records correct
Check that the council has a pension provider. Check whether employees are eligible or entitled to join the pension scheme or whether they have opted out of the scheme	*Check the council's pension arrangements and that contributions are made in accordance with auto enrolment or contractual obligations*		Clerk opted out of the pension, but intend to join this year.