

Bridget.C.Bowen FCA
86 High Street
Weston
Bath BA1 4DD

Tel: 07465 416597

Email: bridget.c.bowen@outlook.com

Sally Diaz
Clerk to Churchill Parish Council
17 Sealy Close
Draycott
Cheddar
Somerset
BS27 3UA

2 November 2025

Dear Sally

CHURCHILL PARISH COUNCIL

Internal audit report - Year ended 31 March 2026

The Accounts and Audit (England) Regulations 2015 (as amended) require all Town and Parish Councils to undertake an effective internal audit to evaluate the effectiveness of their risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

I am bound by the ethical guidelines of the Institute of Chartered Accountants of England and Wales. I confirm that I am independent of the Council.

The internal audit work I have carried out has been planned to enable me to give my opinion on the control objectives set out in the Annual Internal Auditor's Report on the 2025-26 Annual Governance and Accounts Return.

I have complied with the legal requirements and proper practices set out in:

- 'Governance and Accountability for Local Councils – A Practitioners' Guide (England)' 2025
- The Accounts and Audit (England) Regulations 2015 (as amended).

I was appointed as internal auditor to the Parish Council for a period of three years from 2023-24 to 2025-26 on 9 May 2023.

My first internal audit review for 2025-26 was carried out remotely in October 2025.

Background

Churchill Parish Council has income and expenditure of between £100,000 and £200,000 and is subject to review by the external auditor, BDO LLP. The external auditors report for 2025 contained other matters not affecting their opinion relating to the Council's No responses to assertions 3 and 5 for 2024-25.

The Council is not required to comply with either Transparency Code as its income and expenditure falls between the thresholds for which either of the Transparency Codes apply.

The Council's accounting records are maintained on Scribe.

Internal audit checks

I have undertaken a series of audit tests on the Council's financial records, vouchers, documents, minutes, policies, procedures and insurance documentation to ascertain the efficiency and effectiveness of the Parish Council's internal control framework. This internal audit report is based on the audit testing carried out at the visit.

During this visit I checked the following:

- Minutes of Council Meetings
- Policies and procedures
- Bank and cash
- Investments
- Income
- Expenditure
- Budgets and reserves
- Sole managing trustee
- Transparency
- Public Rights
- Action taken on the recommendations in prior report

Findings

Details of good practice noted, my recommendations and other matters to be brought to the Council's attention are set out below.

Good practice

- The Clerk is CiLCA qualified
- The Council is a member of the National Association of Local Councils
- The Council maintains its books and records on Scribe software
- All records were up to date and easy to follow
- The Council's Standing Orders and Financial Regulations are reviewed regularly and are tailored appropriately for the Council
- The Council has appropriate policies in place
- The Council has documented its day to day procedures and internal controls
- The Clerk is aware of the requirements of GDPR and the Council is registered with the ICO
- The Finance Committee takes an active scrutiny role
- Councillors attend training by the local branch of the National Association of Local Councils

Good practice - continued

- Councillors undertake regular spot checks throughout the year
- Bank reconciliations are prepared accurately and regularly
- Bank reconciliations are carried out promptly each month, and are checked by a councillor
- Details of all payments authorised at meetings are recorded in the minutes
- All payment vouchers tested were evidenced as approved
- All allotment holders have signed tenancy agreements
- A formal burial register is maintained
- The payroll is operated by an independent external payroll provider
- All eligible employees have either been auto-enrolled in a pension scheme or have opted out in writing
- All employees have contracts of employment
- The budgeting process is detailed and thorough and monitored throughout the year
- VAT claims are made regularly
- Action has been taken, or is underway on all of the recommendations in the last internal audit report
- The Council is working towards complying with Assertion 10 on the 2025-26 Annual Governance Statement

Recommendations

Income and expenditure

- Dates of receipts are not always recorded accurately in Scribe. The date in Scribe should be the same as the date of receipt on the bank statement.
- The councils rental and service level agreements are due for review and will be discussed during the December Finance Committee Meeting before approval at Full Council.

Transparency

- The Council's income and expenditure is likely to exceed £200,000 in 2025-26. The Council should take steps to comply with the Local Government Transparency Code (2015).

Other matters to bring to the Council's attention

Risk assessment and insurance

- The Full Council must review, update and adopt the risk assessment before 31 March 2026 to comply with the Accounts and Audit Regulations 2025.

Sole managing trustee

- The accounts and annual return of the Clock Tower Charity is due for filing by 31 January 2026.

Conclusion

Based on the tests I have carried out at this interim internal audit visit, in my view, the internal control procedures in operation are adequate to meet the needs of Churchill Parish Council.

Next visit

The next internal audit review has been arranged for 14 April 2026.

At the next visit detailed checks will be carried out on:

- Minutes of Council Meetings
- Bank and cash
- Income
- Expenditure
- VAT claims
- Payroll
- Risk assessment
- Insurance
- Asset register
- Action taken on the recommendations in prior report
- Year end checks

Next Steps

This report should be noted and taken to the next meeting of the Parish Council. The Council should decide what action will be taken on the recommendations I have made.

Kind regards

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Bridget Bowen', is written over a light blue rectangular background.

Bridget Bowen FCA

Internal auditor