

Cumnor Parish Council Internal Audit Year ending March 2025

Internal auditor Lisa Wilkinson

This internal audit report is based upon the **Smaller Authorities Proper Practices Panel: Practitioners' Guide**

Name of Council	Cumnor	Name of Clerk to the Council	Tina Brock
No. Of Councillors	15 (currently 4 vacancies so 11 sitting councillors)	Name of RFO	Tina Brock
Quorum		Precept (for audit year)	£99,000
Electorate	5,100	Gross budgeted income	102,700

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
A. Appropriate accounting records have been properly kept throughout the year	Yes	Appropriate accounting records are kept throughout the year and updated regularly. The accounting system used is Sage Bank reconciliations are carried out monthly and authorised at council meetings quarterly. Meetings are published as draft within one month and signed at the subsequent meeting.

Internal control objective	Response	Notes/Recommendations
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for	Yes	The latest model versions of standing orders and financial regulations have been adopted. Standing orders are reviewed annually in May and financial regulations are reviewed annually in April. Both standing orders and financial regulations specify the same tender threshold of £30,000. All payments are authorised and minuted. Requirements of the Financial Regulations section 5 are followed: three quotes for council insurance and for heating at the pavillion were provided as samples. The invoices are supplied with a list of them at each meeting. Invoices are checked against the list and then signed and dated by two councillors. All payments require two signatories. The bank mandate is reviewed annually in May. Three councillors are signatories. The payment procedure for electronic banking is outlined in the financial regulations. There are currently no debit or credit cards held. However, there is a debit card use policy should the council resolve to use one.

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	The council has in place a formal risk assessment covering risks that the council faces and how it intends to address these. It is reviewed annually and resolved at a council meeting. The last review was minuted on 13/5/2024. A comprehensive review of effectiveness of internal control is carried out annually. The last review was minuted 1/7/2024.
		The Council's insurance is reviewed annually, last minuted 13/5/2024. The scope and value of the insurance cover is reviewed. The date of the renewal is 1/6/2025. Appropriate levels of insurance cover are in place.

		The council is registered with the Information Commissioner's Office. Nominated councillors carry out regular visual inspections of the playgrounds. MRH Services carry out 8 monthly visual inspections and 4 service inspections. A ROSPA inspection is also carried out annually.
--	--	--

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 budget process informed the precept setting. The budget for the financial year currently being audited was approved at full council on 6/11/2023. The full council formally approved the annual precept for the year subject to internal audit on 6/11/2023. Budget reports are provided to council on a quarterly basis. The quarter 3 report was authorised by a councillor and minuted on 6/1/2025. If any significant variances existed, they would be queried at this time. Earmarked reserves are included and reviewed within the budget setting process. General reserves are at around 12 months net revenue expenditure which is an acceptable level.

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.		Precept of £99,000 was received correctly. VAT refund has not yet been received. Recommend that for a council this size VAT claims are undertaken quarterly (or at least twice a year). There is a procedure for the collection of burial fees. No other income is regularly received. Long-term leases are held with Thames Water and University of Oxford. An investment strategy is in place, adopted November 2024.
F. Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for		Petty cash is used. The procedure for its use can be found in financial regulations 10.1.

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		The clerk is the only employee and holds a formal employment contract. The council uses The Net Result as its payroll provider. PAYE is paid correctly and RTI returns are submitted on time. Pension contributions are also paid.
H. Asset and investment registers were complete and accurate and properly maintained		Asset register was reviewed in March 2025 with disposals and additions for this year listed. VAT has been removed as requested by last year's internal auditor. Play equipment assets are verified monthly. Street furniture assets are verified annually.
I Periodic bank account reconciliations were properly carried out during the year.		Bank reconciliations are carried out monthly. They are reviewed and signed by a councillor at council meetings quarterly. December 2024 bank reconciliation was supplied. The year-end bank reconciliation agrees to supporting bank statements. Petty cash is dealt with appropriately.
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		Accounts are prepared on an income and expenditure basis. Section 2 of the AGAR -Accounting statements are prepared accurately. A reconciliation between boxes 7 & 8 (income & expenditure) was provided. The value stated in Box 8 agrees to the year-end bank reconciliation and supporting bank statements. Box 9 agrees to the asset register.
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.	N/A	
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		The Council does not fall within the Transparency Code for Smaller Authorities limit however it is good practice to publish all the information requested in the code. Cumnor PC meets all but one of these requirements. Recommend publish list of payments over £100

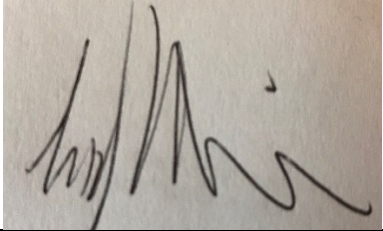
M. The authority, during the previous year, correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations		The Notice of Public Rights was correctly published and noted in the minutes which is accepted as audit evidence that the Council complied with the publication requirements.
N. The authority complied with the publication requirements for the prior year AGAR.	Yes	The council has published the following documents for financial year 203-24 as required: • Annual Governance Statement • Accounting statements • Internal auditor report • External auditor report • Notice of Conclusion of Audit • Review of Effectiveness of Internal Control These were resolved at an extraordinary meeting on 17th June 2024
O. Trust funds (including charitable) - the Council met its responsibilities as a trustee	Yes	Cumnor Public Purposes Charity The required returns have been submitted on time.

Internal control objective	Response	Notes/Recommendations
Miscellaneous		
Website Accessibility	Yes	Accessibility statement is available on the website. Documents are published as accessible pdfs.
Members' interests		Declarations of Members' Interests are recorded. The list of Members' Interests are held with Vale of White Horse District Council (VWHDC). A link is available on Cumnor PC's website. The code of conduct is adopted and reviewed as VWHDC reviews it.
Policies		The following are available on the website: GDPR: Privacy Notice Document Retention Information and Protection Management of Transferable Data

		A FOI publication scheme is available to view. A wide range of other policies are also available on the website.
Committees		Cumnor Parish Council holds the following committees: • Planning • Environment and Amenities • Finance and General Purposes Terms of reference have been adopted and are regularly reviewed.
Document storage		Documents are backed up on Onedrive. Archived minutes are stored at Oxford Archives.
S137 payments		S137 payments are identified in the minutes and in the accounts. General Power of Competence has not been adopted.

Previous internal audit recommendations have been carried out?	Investment Strategy	As the council is holding bank balances in excess of £100,000, it is required to adopt an appropriate investment strategy, following the Statutory Guidance on Local Government Investments (3rd edition). It was noted that this requirement was brought to the council's attention in the preceding internal audit report.	In process
	Banking	There is over £160,000 of the council's funds held in Santander accounts, which would be protected up to £85,000 under the Financial Services Compensation Scheme (FSCS). However, as the sums are considerably greater than this, it is recommended that the council looks at transferring some of its funds to another banking institution, having regard to the Statutory Guidance on Local Government Investments, to ensure the security and liquidity of the council's funds.	No
	Gov.uk website and email addresses	It is a strong recommendation of the 2024 edition of the JPAG Practitioner's Guide that councils use a gov.uk website, which includes email provision for the clerk and councillors, to increase professionalism and assist with compliance with the General Data Protection Regulations (GDPR).	Resolved to move to a gov.uk domain in September 2024. Transfer not yet taken place.

Any further comments
The overall internal audit assurance rating is GOOD It is recommended that VAT is claimed quarterly (or at least every 6 months) for a council this size.
Acknowledgments
The help and co-operation of Tina Brock was invaluable to the audit process.

Internal audit carried out by	(signed)		(print) Lisa Wilkinson
			
Audit type (delete as appropriate)	INTERIM	ANNUAL	
Date 12/5/25			
Part 3 of Annual Return form completed and signed		12/5/25	