

CHART SUTTON PARISH COUNCIL

INTERNAL AUDIT REPORT 2024-25

I am pleased to report to Members of the Parish Council that I have carried out the internal audit of the Parish Council's records for 2024-25 and have completed the Annual Internal Audit Report for 2024-25 as required for the Annual Governance and Accounting Reports.

Members should be aware that the audit tests that I undertook during the audit cannot be relied on to identify the occasional omission or insignificant error, nor to disclose breaches of trust or statute, neglect or fraud which may have taken place and which it is the responsibility of the Members of the Council to guard against through the Parish Council's internal control procedures.

Members will be pleased to know that I did not find anything major in the audit to report and that I found the record keeping to be of a good standard and the Parish Council's approach to the management of risks to be sound.

I would like to take this opportunity to thank your Clerk for the assistance given to me in the conduct of the audit that took place on 27 May 2025.

PREVIOUS AUDITS:

External Audit Certificate 2023-24:

Mazars' certificate was issued on 22 August 2024 without comment or qualification. Their covering letter dated 23 August included a comment about earmarking reserves. The audit report was considered by the Council at its meeting on 11 September 2023.

Mazars comment about earmarking reserves arose from the balances at 31 March 2024 being roughly two years' spending and thus higher than recommended levels. The situation for 31 March 2025 is very different – reserves are lower than the year before and spending was abnormally high. The Council need not take any action in response to Mazars comment – events have overtaken its rationale.

Internal Audit 2023-24:

In my review of 2024-25 I did not find any instances of Council decisions taken outside of meetings.

FINDINGS THIS VISIT:

During the audit I carried out sufficient work to enable me to complete the Annual Internal Audit Report. I concentrated on the trail from the annual accounting statement back to the receipts & payments A/c and bank statements while testing transactions to invoices or other supporting documentation. I have also reviewed the Council's minutes for compliance with legal obligations, its general functioning and for mutual consistency with the accounts.

I found the financial records to be accurate and up to date. I found nothing in the minutes to indicate any issues around legal obligations, the council's actions or its general functioning. except as noted below.

Minutes of the Council meeting on 27 January 2025 record "Following discussion and based on the now agreed 25/26 budget, a precept of £27,450 was agreed." This is incorrect in law. S41 Local Government Finance Act 1992 states that the precept is the net council tax requirement as calculated under s49A of the same Act. S49A mandates calculations which are the budget. It follows that there can be no discussion of the level of the precept after the budget has been agreed since the precept is the result of budget calculations.

I have nothing further to report.

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**Lionel Robbins
Independent Internal Auditor
3 June 2025**