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Chalford Parish Council
The Parish Centre
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28th April 2026

INTERNAL AUDIT 2025/26

Parish & Town Auditing Services have been appointed to undertake the internal audits at Chalford Parish Council. The first interim audit of the 2025/26 financial year was undertaken on Wednesday 17th September 2025. The review focused on the development of the Asset Register. The end of year audit was undertaken on 28th April 2026.

I can confirm that I am independent of the Parish Council.

As stated in the Letter of Engagement letter, the scope of our work is limited to completing the audit testing and enquiries we deem necessary to complete the Annual Report for Local Councils in England. We do not provide assurance over or accept responsibility for areas of work not included in this scope, unless specifically agreed with the Council during the financial year. In providing internal audit services we are not conducting a financial statement audit in accordance with standards and guidelines issued and our procedures are not designed to provide assurance over the reliability and quality of your financial statements. This will be undertaken by the Council's appointed External Auditor.

We are required by the Annual Internal Audit Report included in the Annual Governance and Accountability Return (AGAR) to review controls in place at the Council against predefined control assertions. These controls are included in the following report.

Thank you for all the information you have provided to enable the audit to be undertaken.

Yours sincerely,

Paul Russell, Internal Auditor

INTERNAL AUDIT

Outlined below is an overview of the 10 Assertions within the Practitioners Guide 2025. Each of these are dealt with under the relevant Governance sections contained in Section 1 of the AGAR:

AGS Assertion 1 — Financial management and preparation of accounts

- Accounting Records and supporting documents:
- Bank reconciliation:
- Budget setting:
- Investments:
- Reserves:
- General Reserves:
- Earmarked and other reserves:

AGS Assertion 2 — Internal control

- Standing Orders and Financial Regulations:
- Safe and efficient arrangements to safeguard public money:
- Employment:
- VAT
- Fixed assets and equipment:
- Loans and long-term liabilities:

AGS Assertion 3 — Compliance with laws, regulations and proper practices

- Acting with its powers:

AGS Assertion 4 — Exercise of public rights

AGS Assertion 5 — Risk management

AGS Assertion 6 — Internal audit

AGS Assertion 7 — Reports from auditors

AGS Assertion 8 — Significant events

AGS Assertion 9 — Trust funds (local councils only)

AGS Assertion 10 — Digital and data compliance

The following headings are based on Section 1 – Annual Governance Statement.

A. Appropriate accounting records have been properly kept throughout the financial year.

The Parish Council has appointed the Deputy Clerk as the Responsible Financial Officer as required. (Section 151 of the LGA 1972)

The correct roll over figure stated in Box 7 of the 2024/25 Accounting Statement is £150,180.05.

A sample of the financial transactions between 1st April and 31st March 2025 has been undertaken. The following checks were carried out:

- Review of a sample of original invoices: A sample of invoices has been undertaken. Invoices are received, stamped and coded as required. They are then uploaded into the package and are marked as paid once authorised and dated. No material differences have been identified.
- Sample invoices checked against the list of invoices paid: Sample checked was accurate.
- Sample invoices checked against the original bank statement: A sample of invoices was reviewed checking invoice details against bank statements. No material differences were identified.

There is currently a robust process in place to ensure that financial information is correctly recorded and reported to Council as part of its governance procedures. This procedure is contained within the existing Financial Regulations. Noted that a new Internal Controls & Governance Policy has been reviewed for adoption by the Finance & Management Committee at its meeting in April 2026.

The Council uses Scribe accounting software. Invoices are recorded on receipt and coded prior to inputted into the accounting system by the RFO. All payments are presented to Full Council for either approval or ratification.

All invoices are reviewed by the RFO and authorised signatories and uploaded into the software and supporting documentation is filed in hard copy. Payment is via online banking. Once the list of outstanding invoices have been approved payments are authorised by the RFO and one of the authorised signatories. All invoices are sent to authorised signatories prior to approval. Payments are reported to the Finance & Management Committee monthly. The monthly payment schedule is also uploaded onto the Council website as part of the agenda pack.

A Risk Management Strategy is currently in place alongside the Risk Register: [A copy of the Strategy is available on the Council's website.](#) and [V7 Risk Register.pdf](#)

Bank reconciliations are undertaken on a monthly basis, signed off by Committee and published on the Council's website. The hard copies are signed off by Members. Copies of the signed reconciliations have been reviewed.

The year-end bank reconciliation and it has been confirmed that bank balances in the AGAR, section 2, line 8 is correct: £159,895.34.

An Investment Policy is in place and was updated and adopted by Council at its meeting on 4th December 2025. [Investment Policy.pdf](#)

Recommend that this be reviewed and updated during 2026/27.

The Council has met the requirements of this control objective.

B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

Tenders and Contracts are governed by Financial Regulations. All contracts being tendered are published on the Council's website as well as the Find a Tender portal where required.

Standing Orders and Financial Regulations are reviewed annually and both have been updated during the year. Both documents are based on the latest NALC template version.

Note that Contracts Finder has now been replaced by Find a Tender so all contract information should be publicised on this portal where required. ([Find a Tender](#)).

The limits between both documents match as required.

The procedures related to financial recording and reporting has been reviewed:

- The Council uses the Scribe financial software to manage its accounts;
- Invoices are received and reviewed for accuracy and authenticity by the RFO.
- Invoices are coded and inputted into the accounting system. Reports are generated from the system;
- Invoices are printed off and filed;
- Payments are made every Monday. Invoices awaiting payment is sent to the authorised signatories for approval and authorisation;
- A Payments awaiting authorisation report is developed and presented the Finance & Management Committee, reviewed and accepted. The report is also uploaded onto the Council website;
- The RFO sets up the payment of invoices and one authorised signatory authorises the payments via online banking. A record of the authorising signatory is retained.

There is appropriate segregation in place.

VAT is normally claimed on a quarterly basis. The claim for Q4 2024/25 amounting to £3,826.44 and £2,285.49 was received in April/May 2025. Submissions made during the year are as follows:

Period	Amount
Q1	£10,237.36
Q2	£2,445.69
Q3	£1,205.24
TOTAL	£13,888.29

The Council has a Barclaycard in place with a spending limit of £3,000. The balance is paid off monthly and payments recorded on the accounting system. A review of the payments made has been undertaken. No material differences have been identified.

The Council does not have the General Power of Competence in place.

The Council has met the requirements of this control objective.

C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

An Asset Register is in place and is being maintained on the Scribe system. A great deal of work has been undertaken to bring the asset register to update it and ensure that it accurately reflects the original purchase values of assets.

Noted that in previous years the asset values were stated as current values. This is going to be restated this year to reflect original purchase values where appropriate as a result of the significant work undertaken to update the Asset Register.

The Council is insured with Zurich Municipal. Policy Number is YLL-2720867913. This runs from 1st August 2025 to 31st July 2026. A review of asset values against insurance values has carried out. Council is adequately insured.

Fidelity cover is currently £2,000,000. The Policy also includes Public Liability (£10 million), Hirers Liability (£2 million), Employers Liability (£10 million) and Libel & Slander (£100,000).

The Council is responsible for three recreation grounds with play and exercise equipment. The equipment is inspected by an independent inspection company annually and managed in-house during the year by the grounds team. One play area is currently closed.

The Council has developed an Internal Controls document to ensure it is operating as effectively and efficiently as possible.

The Council has met the requirements of this control objective.

D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

At its meeting held on 5th December 2024 Full Council formally approved the budget and the setting of a precept. (Minute 09.12.24.c)

09.12.24 2025/26 PRECEPT - Councillors were furnished with Finance and Management's recommendations for the 2025/26 precept requirement prior to meeting. Cllr Morris Wyatt reported on F&M's discussions leading up to the final

precept figure and explained how these figures were reached. Cllr Morris-Wyatt invited questions, there were none. a) Budget recommendation - Cllr Samaroo proposed, “we accept Finance and Management’s spending budget recommendation of £236,346.61” This was seconded by Cllr Morris-Wyatt and unanimously agreed.

ACTION: Clerk/RFO

b) Reserves recommendation – Cllr Oakley proposed “we accept Finance and Management’s recommendation to increase the earmarked reserves budget by £7,000 as of 1st April 2025” This was seconded by Cllr Morris-Wyatt and unanimously agreed. **ACTION: Clerk/RFO**

c) Precept Requirement – Cllr Oakley proposed, “we recommend a precept requirement of “£225,711.00 (after transferring £2,500 from general reserves) to Stroud District Council for 2025/2026 an increase of 4.8% over the last year. This was seconded by Cllr Samaroo and unanimously agreed. **ACTION: Clerk/RFO**

It has been confirmed that a precept of £225,712 was requested. (MHCLG Parish Code E1635P010) **Note that there is a difference of £1 between resolution and the precept payment. This is not material.**

Budget reports are presented to the Finance & Management Committee and scrutinised on a monthly basis. The budget reports are uploaded onto the website for transparency as part of the additional documentation provided.

Budget monitoring is undertaken on a monthly basis by the Finance & Management Committee. A budget report is presented and reviewed which includes budget allocations and variances. The agenda pack uploaded on the website includes all relevant documentation.

The Council has Earmarked Reserves in place. The following movements were recorded during the year:

- Opening Balance: £58,162.41
- Transfers: £2,580.82
- Expenditure: £50,278.87
- Receipts: £42,068.07
- Year End Balances: £52,532.43

The Council has adequate General Reserve to meet the current recommendations with specific allocated EMRs also in place as outlined above.

The Council has the following Balances as at 31st March 2026:

ACCOUNT	31/03/26
Current A/C	£12,262.17
Deposit	£2,762.98
C&C	£85,460.70
HTB	£57,524.30
Barclaycard	£0.00
SDC Youth Forum	£1,883.18
Petty Cash	£2.01
TOTAL	£159,985.34

The Council has met the requirements of this control objective.

E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.

The Council has no aged debtors.

There are three allotment sites within the parish; Brownshill, France Lynch and Middle Hill. Chalford Allotments are sited on charity land. The charity is the "Chalford Allotments for the Labouring Poor" (Charity No. 206016).

The Council operates and manages the Frithwood Cemetery located on The Frith, Brownshill. Information is available on the website and a Register of Burials is in place which has been reviewed.

The Council has two meeting spaces at the Parish Centre. These are mainly let out to local organisations. No income has been recorded.

The Council does not have any leases in place.

Council has a number of other income streams including bank interest, a number of refunds, lunch club income, EV income and grant funding. All income is documented, invoices are raised where appropriate and properly recorded in the accounts package.

The Council has met the requirements of this control objective.

F. Cash payments were properly supported by receipts, all cash expenditure was approved and VAT appropriately accounted for.

The Council operates a petty cash system which it is currently running down. Council has not received any cash payments during the financial year. Payments are encouraged received through BACS.

Appropriate supporting documentation has been retained for petty cash payments during the year and VAT has been claimed where appropriate. The Petty Cash account is reconciled monthly and signed off by the RFO and an authorised signatory.

The Council has met the requirements of this control objective.

G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.

Each member of staff has a contract of employment in place. The employment contract is based on a standard template.

Members do not receive a members allowance.

A sample of staff salaries have been reviewed. Staff are employed on NJC pay scales. Tax codes have been applied to the employees reviewed.

Payroll is undertaken using the HMRC payroll tool. Reports are generated including payslips and sent to Council on a monthly basis.

The Local Government Pension Scheme is in place. Pension contributions are deducted and monthly payments of employee and employer contributions are made to the scheme.

Both employee and employer NI contributions are applied and submitted to HMRC on a monthly basis.

A test sample was undertaken and it was confirmed that the correct net pay was paid to the employee with tax, NI and pension contributions correctly deducted and paid to the respective agencies.

The Council has met the requirements of this control objective.

H. Asset and investments registers were complete and accurate and properly maintained.

A full review of the Asset Register has been undertaken during the year. The Council has undertaken a great deal of work to correctly record all its assets and this work has now been completed.

The asset register has been uploaded onto the Scribe accounting software with the relevant recommendations in place.

The Asset Register identifies the purchase cost of each asset, the replacement/insured cost where appropriate and additions and disposals.

The end of year asset value as stated on the AGAR is £431,464.54. This is the figure on the updated asset register. Noted that the asset values for 2024/25 will be restated.

The asset register has been compared with the insurance schedule. It has been confirmed that all relevant assets have recorded and are appropriately insured or "self-insured" by the Authority.

Council has no long-term investments in place.

The Council does not have any outstanding loans.

The Council has met the requirements of this control objective.

I. Periodic bank account reconciliations were properly carried out during the year.

Bank reconciliations are undertaken monthly and reported to F&M on a monthly basis when they are approved and signed off. Copies of the bank reconciliations are uploaded onto the website monthly.

The Council has met the requirements of this control objective.

J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.

Accounts are maintained on an income and expenditure basis.

Accounting arrangements are in place to account for debtors and creditors during the year and at year end.

The Council has met the requirements of this control objective.

K. If the authority certified itself as exempt from a limited assurance review in 2024/25, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2024/25 AGAR tick “not covered”).

Not covered.

L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.

Review the Authority's website ensuring that all required documentation is published in accordance with the relevant legislation.

The following information is published on the Parish Council's website ([Transparency - Chalford Parish Council](#))

Expenditure exceeding £500

Local authorities must publish details of each individual item of expenditure that exceeds £500. [Published quarterly](#)

Government Procurement Card transactions

Local authorities must publish details of every transaction on a Government Procurement Card ([not applicable](#)).

Procurement information

Local authorities must publish details of every invitation to tender for contracts to provide goods and/or services with a value that exceeds £5,000. [Published](#).

Contracts

Local authorities must also publish details of any contract, commissioned activity, purchase order, framework agreement and any other legally enforceable agreement with a value that exceeds £5,000. [Published](#).

Information to be published annually

The following information should be published annually:

- Local authority land (The Asset Register) [Published](#).
- Social housing assets [Not applicable](#)
- Grants to voluntary, community and social enterprise organisations [Published](#)
- Organisation chart (Staff structure with Council and Committee structure) [Published](#)
- Trade union facility time (only applicable if you provide facilities for union representatives) [Not applicable](#)
- Parking account (to be published if parking income received) [Not applicable](#)
- Parking spaces (publish the number of marked out controlled on and off-street parking spaces within their area, or an estimate of the number of spaces where controlled parking space is not marked out in individual parking bays or spaces) [Not applicable](#)
- Senior salaries (No salary over £58,200k per annum) [Published](#).
- Constitution (Standing Orders) [Published](#).
- Pay multiple (see the code) [Published](#).
- Fraud (see the code) [Published](#).

The Council has met the requirements of this control objective.

M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (*during the 2025/26 AGAR period, were public rights in relation to the 2024-25 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set*).

The publication requirements were met. The public notice ran from 9th June 2025 to 18th July 2025 and meets the 30 day statutory requirement.

The Council formally minuted the dates of the public notice at the meeting where the AGAR was approved on 5th June 2025. (Minute 8-06-25d)

The Council has met the requirements of this control objective.

N. The authority has complied with the publication requirements for 2024/25 AGAR.

Publication Requirements Under the Accounts and Audit Regulations 2015, Authorities must publish the following information on the authority website/webpage: Before 1 July 2025 authorities must publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited: [Published](#).
- Section 1 - Annual Governance Statement 2024/25, approved and signed, page 4: [Published](#)
- Section 2 - Accounting Statements 2024/25, approved and signed, page 5: [Published](#)

Not later than 30 September 2025 authorities must publish:

- Notice of conclusion of audit: [Published](#)
- Section 3 - External Auditor Report and Certificate: [Published](#)

- Sections 1 and 2 of AGAR including any amendments as a result of the limited assurance review: [Published](#)

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3. [Published](#).

The Council has met the requirements of this control objective.

O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.

The Council has a .gov.uk domain for its emails and its website. Staff and Councillors are provided with an official .gov.uk email address and these are publicised on the website. Emails are managed within a secure environment by the Council.

Council meets this requirement for emails and has a directly owned domain name for its website.

The Council has an IT & Security policy in place as required. [IT policy.pdf](#)

The Council has an Accessibility Statement published on its website ([Accessibility Statement - Chalford Parish Council](#))

Note that since September 2020, all parish and town councils must have a website that complies with Website Content Accessibility Guidelines (WCAG). As from October 2024 that rating level changed from WCAG2.1AA to WCAG2.2AA so that it meets Accessibility Guidelines as set in the Public Sector Bodies Accessibility regulations.

Two scans have been undertaken. Scan one for compliance with WCAG2.2AA scored 58% (poor) [Scan Results — CompliaScan](#)

Scan 2 for accessibility scored 7.6 out of 10: [WAVE Report of Home - Chalford Parish Council](#)

Recommend that Council contacts its website provider to request that the above scores be improved upon.

Chalford Parish Council's website is partly WCAG2.2AA compliant and accessible.

To ensure compliance with Data Protection regulations Councils should have the following in place:

- Appoint a Data Protection officer to oversee data protection and ensure compliance with GDPR (Note that although Parish Councils are exempt from this requirement under Section 7 of the DPA 2018 Council needs to appoint someone who is responsible for data protection within the organisation. This is normally the Parish or Town Clerk).

- Conduct regular data audits to identify what personal data is held, how it is used and make sure it is processed lawfully.
- Implement a Data Protection policy on data handling, storage and sharing.
- Provide regular training to ensure all staff and members are trained on data protection principles and practices.
- Secure data using appropriate technical and organisational measures to protect personal data from breaches.

The Council has the following Data Protection policies published on its website:

- Data Protection Policy ([Data Protection Policy.pdf](#));
- Privacy Notice ([GDPR-Privacy-Notice.pdf](#))
- Data Retention Policy ([FRIENDS OF GLOUCESTERSHIRE ARCHIVES](#))
- FOI Scheme ([Information available from](#))
- Accessibility Policy ([Accessibility Statement - Chalford Parish Council](#))

Council will need to ensure that the following requirements are met:

- Either undertake or update its data audit;
- Adopt a Data Breach Procedure and SAR Procedure;
- Organise GDPR training for staff and councillors;
- Ensure that the relevant procedures are in place such as Subject Access Request Procedure and a Data Privacy Impact Assessment procedure.
- Ensure that both hard copy and electronic data have relevant protections in place. For hard copy records this will be identified by the audit. For electronic data it is recommended that your IT provider outlines what protections are in place, how often data is backed up and how it is stored. Ensure that all computers have some level of virus protection.

A Freedom of Information Publication Scheme is in place (see above)

The Council has a Transparency page on its website and meets this requirement: [Transparency - Chalford Parish Council](#)

The Council has met the requirements of this control objective.

P. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.

The Council is a Sole Trustee for the following charities:

- Allotments for the Labouring Poor (206016)
- Chalford Recreation Ground (277975)
- Chalford Allotments for Recreation (301466)

The Trustee filing requirements are up to date with all charities.

Allotments for the Labouring Poor (206016):

- Total income: £5,688
- Total expenditure: £2,742

Chalford Recreation Ground (277975)

- Total income: £0

- Total expenditure: £0

Chalford Allotments for Recreation (301466)

- Total income: £0
- Total expenditure: £0

It has been confirmed that Chalford Parish Council is the sole trustee of all three charities.

The council has acted in accordance with the Trust deed.

The Charity meetings and accounts are recorded separately from those of the council.

The Council has met the requirements of this control objective.