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Mrs L Trundle
Bramber Parish Council
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18th May 2026

Dear Liz

Re: Bramber Parish Council
Internal Audit Report for Financial Year Ended 31 March 2026

Executive summary
Following completion of our internal audit on 18th May 2026 we are pleased to enclose our report for your review and presentation to the council. The audit was conducted in accordance with current professional standards and guidelines, employing a risk-based approach to our testing. While not all transaction were examined, our sample testing, where appropriate, covered the financial year to date.

The structure of this report aligns with the assertions set out in the Annual Internal Auditor Report section of the published Annual Governance and Accountability Return (AGAR). Each section begins with a summary of the assertion being assessed, followed by details of the testing undertaken, which was guided by the audit plan previously shared with the council. A copy of the audit plan is available upon request. The report concludes with our opinion on whether each assertion has been met as of the date of the audit. **Any recommendations for action are highlighted in bold and summarised in the table at the end of the report.**

Our testing did not identify any procedural errors requiring reporting to the external auditor at this time, nor did we observe any material weaknesses in internal controls that would pose a risk to public funds. In fact, the processes and procures together with own built in compensating controls are robust, strictly followed and in many respects a model of good practice.

We are pleased to report that overall, the systems and procedures currently in place are appropriate and effective. While this report may include recommendations for improvement, these should not be viewed as indicators of significant deficiencies. Rather, they are intended to support the continued development of what is, in our view, a well-managed and robust governance framework.

I have completed the Annual Internal Audit Report page of the AGAR and provided this to the council for onward submission to the External Auditor.

Regulation
The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts. In addition to this, a smaller authority is required by Regulation 5(1) of the Accounts and Audit Regulations 2015 to "undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance."

Internal auditing is an independent, objective assurance activity designed to improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The primary purpose of internal audit is to assess and report to the authority on the effectiveness of its financial systems and other internal controls, including the operational procedures that support its activities.

The internal audit function involves testing and evaluating whether the authority's internal control framework is both adequate and functioning effectively. Internal audit reports should be made available to all Members, providing a basis for informed decision making when considering the authority's approval of the Annual Governance Statement.

Independence and competence
Your audit was conducted by Tracey Euesden of Mulberry Local Authority Services Ltd, who has over 35 years' experience in the financial sector with the last 17 years specialising in local government.

Your auditor is independent from the management of the financial controls and procedures of the council and has no conflicts of interest with the audit client, nor do they provide any management or financial assistance to the client.

Engagement Letter and inherent risk assessment
An engagement letter was previously issued to the council covering the 2025/26 internal audit assignment, which includes the scope and plan of works and fee structure. Copies of this document are available on request from anna@mulberrylas.co.uk

In summary, our work will address each of the internal control objectives as stated on the Annual Internal Audit Report of the AGAR.

It is our opinion that the inherent risk of error or misstatement within the council's financial systems is low. The internal control environment is considered reliable, and as such, substantive testing of individual transactions is not deemed necessary at this stage.

Audit testing will therefore consist of walk-through testing on a selection of sample data, covering the period under review within the current council year. This approach is designed to confirm that key controls are operating effectively throughout the financial period.

Table of Contents

A. BOOKS OF ACCOUNT 4
B. FINANCE REGULATIONS, GOVERNANCE AND PAYMENTS 5
C. RISK MANAGEMENT AND INSURANCE 7
D. BUDGET, PRECEPT AND RESERVES 8
E. INCOME 10
F. PETTY CASH 10
G. PAYROLL 10
H. ASSETS AND INVESTMENTS 11
I. BANK AND CASH 13
J. YEAR END ACCOUNTS 13
K. LIMITED ASSURANCE REVIEW 16
L: PUBLICATION OF INFORMATION 17
M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS 18
N: PUBLICATION REQUIREMENTS 19
O. DIGITAL AND DATA COMPLIANCE 20
P. TRUSTEESHIP 20
Achievement of control assertions at final internal audit date 21
Internal Audit – Summary of recommendations 23

INTRODUCTION

The audit was conducted remotely with the Clerk, who also acts as the council's Responsible Financial Officer (RFO). The Clerk had prepared the information advised in advance of the visit, and overall, I have the impression that accounting records are neatly maintained and easily accessible.

Other information was reviewed through discussion with the Clerk and a review of the council website https://www.bramber.org.uk/

A. BOOKS OF ACCOUNT

Internal audit requirement

Appropriate accounting records have been kept properly during the year.

Audit findings

The council uses the Scribe accounting package for recording the council's finances. The accounting package is updated regularly and used to produce management information reports for review at council meetings.

I conducted a simple walk-through test on a supplier invoice drawn at random and a receipt drawn at random and can confirm the underlying documentation was easy to locate and agreed to the cashbook details. I make no recommendation to change in this system.

I tested the opening balances as of 1 April 2025 by reviewing the balance brought forward on the statement of accounts produced by the accounting package and confirmed it could be agreed back to the investment reconciliation for the audited accounts for 2024/25.

I reviewed the cashbook entries for the period 1 April to 31 March to ensure items were posted to the correct heading and that there were no instances of netting off and the expenditure was correctly posted to the headings to which the line item related. This has confirmed that the accounting package is being properly used.

Check receipt of VAT refund matches last submitted VAT return

The council submits its VAT return on a half yearly basis. I reviewed the submission for the period ending 31st March 2026 which showed a refund amount due of £1,070.40 and was fully supported by the required details. I was able to confirm receipt of this amount to the council's bank account on 30th April 2026. The council is up to date with its VAT submissions.

CONCLUSION

I am satisfied this control objective has been met.

B. FINANCE REGULATIONS, GOVERNANCE AND PAYMENTS

Internal audit requirement

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

Audit findings

Confirm by sample testing that councillors sign statutory office forms

I confirmed by sample testing that councillors sign "Acceptance of Office" forms. I recommend the form is amended to include formal acceptance to receive information by electronic means in the form *"As per Schedule 12 of the Local Government Act 1972, I consent to the receipt of all council meeting papers by electronic methods. I understand I may withdraw this consent at any time"*

The council website includes a councillor page where the individual Register of Members' Interests forms are published.

Confirm that the council meets regularly throughout the year

The council meets on a monthly basis, and the website contains a diary of future meeting dates and minutes of meetings.

Check that agendas for meetings are published giving 3 clear days' notice

I was able to confirm that at least 3 clear days' notice is given on agendas. Whilst we have not tested every single committee and council meeting there was no evidence of non-compliance in giving three clear days' notice of the meeting.

I remind council it is required to also post any supporting documentation with the agendas as outlined by the Information Commissioner's Office (page 3 of this link) www.ico.org.uk/minutesandagendas

Check the draft minutes of the last meeting(s) are on the council's website

I recommend that the minutes are clearly marked as draft or that a statement is added to the relevant page of the website that they are in 'draft form until ratified at the next meeting.'

Confirm that the Parish Council's Standing Orders have been reviewed within the last 12 months

The Standing Orders are based on the current NALC model and were most recently reviewed and adopted by council on 18th June 2025 (minute ref 93.1 BPC).

Confirm that the Parish Council has adopted and recently reviewed Financial Regulations

Financial Regulations were last reviewed and adopted by council on 18th June 2025 (minute ref 93.2 BPC). The regulations contain provisions for the approval of spending, setting of budgets, reconciliation of the bank and reporting to council.

Check that the council's Financial Regulations are being routinely followed
Procurement

The Financial Regulations are not based on the most up to date NALC Model (2025) which contains updated regulations with regard to procurement, and I recommend that this is addressed as soon as possible to ensure that the council is complying with its statutory requirements.

Authorisation

The council's adopted Financial Regulations include thresholds at which authorisations to spend must be obtained as below:

FR 4.1. Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. This authority is to be determined by:

- the council for all items over £5,000;
- the Clerk, in conjunction with Chairman of Council or Chairman of the appropriate committee, for any items below £1500. Such authority is to be evidenced by a minute or by an authorisation slip duly signed by the Clerk, and where necessary also by the appropriate Chairman.

Contracts may not be disaggregated to avoid controls imposed by these regulations.

FR 4.5 In cases of extreme risk to the delivery of council services, the clerk may authorise revenue expenditure on behalf of the council which in the clerk's judgement it is necessary to carry out. Such expenditure includes repair, replacement, or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £1500. The Clerk shall report such action to the chairman as soon as possible and to the council as soon as practicable thereafter.

Based on the level of financial activity of the council, and through discussion with the Clerk, these authorisation thresholds appear appropriate.

I tested a sample of invoices and was able to confirm that amounts have been properly authorised in accordance with the adopted Financial Regulations, and payment lists are appended to the minutes of relevant meetings with the minutes recording the approval of such.

Payment

The council's Financial Regulations include a section covering the making of payments and state:

FR **6.3.** All payments shall be affected by cheque or other instructions to the council's bankers, or otherwise, in accordance with a resolution of council, or duly delegated committee.

FR 6.4. Cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to council or committee shall be signed by two members of council, or Clerk and one Councillor, in accordance with a resolution instructing that payment. A member who is a bank signatory, having a connection by virtue of family or business relationships with the beneficiary of a payment, should not, under normal circumstances, be a signatory to the payment in question.

FR 6.5. To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil.

FR 6.6. Cheques or orders for payment shall not normally be presented for signature other than at a council or committee meeting. Any signatures obtained away from such.

I tested this process with the clerk and am satisfied that the process to make payments is as described above.

Confirm the council has adopted the General Power of Competence (GPC) and met the eligibility criteria at the time of adoption, or if GPC not adopted, confirm all section 137 expenditure meets the guidelines and does not exceed the annual per elector limit of £11.10 per elector
The council has expenditure for the financial year within the section 137 allowable threshold.

Confirm that checks of the accounts are made by a councillor
The system noted above details internal review takes place and I am under no doubt that council properly approves expenditure.

CONCLUSION
I am not satisfied this control object has been met in full. Please see the comments above and our recommended course of action in the table at the end of this report.

C. RISK MANAGEMENT AND INSURANCE

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

Audit findings
The council's adopted Financial Regulations include a section covering Risk Management and state:

1.2. The council is responsible in law for ensuring that its financial management is adequate and effective and that the council has a sound system of internal control which facilitates the effective exercise of the council's functions, including arrangements for the management of risk.

1.3. The council's accounting control systems must include measures:
- for the timely production of accounts;
- that provide for the safe and efficient safeguarding of public money;
- to prevent and detect inaccuracy and fraud; and
- identifying the duties of officers.

1.5. At least once a year, prior to approving the Annual Governance Statement, the council must review the effectiveness of its system of internal control which shall be in accordance with proper practices.

The council has a risk assessment process in place, which was last reviewed and approved by council on 14th May 2025. I reviewed the policy and the risk assessment record, which details the types of risk identified, assigns a perceived risk level, details mitigation measures in place and the review frequency. Whilst this is considered a suitable method for a council of this size.

I confirmed that the council has a valid insurance policy in place with Hiscox which covers the year under review. Insurance cover for buildings and key assets of the council is consistent with the council's asset register.

The insurance policy includes Public Liability cover of £10 million, Employers Liability cover of £10 million and a Fraud & Dishonesty (Fidelity Guarantee) level of £150,000 which is sufficient for a council of this size.

We discussed assertion 8 on the Annual Governance Statement and whether this had any impact on the council.

"We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements."

The Clerk confirmed that they were not aware of any event having a financial impact that was not included in the accounting statements.

CONCLUSION

I am satisfied this control objective has been met.

D. BUDGET, PRECEPT AND RESERVES

Internal audit requirement

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

Audit findings

Budget

The Clerk/RFO produces regular budget reports. The year-end budget report shows receipts reported as 107% of budget and payments at 86%. There is no evidence to suggest that the budget has not been accurately set and carefully monitored throughout the year.

There is evidence within the minutes of meetings that councillors regularly receive budget reports for review, providing them with sufficient financial information to make informed decisions.

Precept

The council set a precept of £39,250 for 2025/26. With a tax base of 414.88, this equates to a band D equivalent of £94.60 (compared to the average in England of £92.92). I was able to confirm that the precept amount recorded in the accounts is correct, and equals the amount recorded in box 2 of the Accounting Statements.

The Clerk confirmed that the 2026/27 budget and precept were approved by the council at the meeting held on 17th December 2025 (minute ref 190c).

Reserves

The Smaller Authorities Proper Practices Panel (SAPPP) Practitioner's guide provides updated guidance on the appropriate level of general reserves that councils should retain as below:

5.33 The general reserve of an authority comprises its cash flow and contingency funds to cover unexpected inflation, unforeseen events, and unusual circumstances.

5.34 The generally accepted recommendation with regard to the appropriate minimum level of a smaller authority's general reserve is that this should be maintained at between three and twelve months of net revenue expenditure.

5.35 The reason for the wide range is to cater for the large variation in activity level between individual authorities. The smaller the authority, the closer the figure may be to 12 months expenditure, the larger the authority, the nearer to 3 months. In practice, any authority with income and expenditure in excess of £200,000 should plan towards 3 months equivalent general reserve.

5.36 In all of this it is important that each authority adopt, as a general reserve policy, the level appropriate to their size, situation, risks and plan their budget so as to ensure that the adopted level is maintained. Consideration of the minimum level of reserves requires not only consideration of level of income and expenditure but also the risks to that income.

5.37 Authorities with significant self-generated income (other than the precept or levy) should take into account situations that may lead to a loss in revenue as well as increased costs and adapt their general reserve accordingly.

At the year-end, the council held £22,992 in reserves, split between categories as below:

- Earmarked EMR £ 1,500
- General Reserves £ 21,492

I checked the purpose of these earmarked reserves with the Clerk and am satisfied they are all for legitimate future planned projects of the council.

The general reserve balance is which is within the recommended range as detailed in the Practitioner's Guide.

CONCLUSION

I am satisfied this control objective has been met.

E. INCOME

Internal audit requirement

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

Audit findings

Apart from vat refunds, grants from local organisations and a subsidy for Environmental Cleansing from Horsham District Council, the precept is the council's main source of income.
From a review of the accounting records, income appears to be recorded with sufficient narrative detail to identify the source and allocated to the most appropriate nominal code.

The council has no fees.

CONCLUSION

I am satisfied this control objective has been met.

F. PETTY CASH

Internal audit requirement

Petty cash payments were properly supported by receipts; all petty cash expenditure was approved and VAT appropriately accounted for.

Audit findings

The council does not operate petty cash.

CONCLUSION

The council has no petty cash and the testing for this internal control objective is not applicable.

G. PAYROLL

Internal audit requirement

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

Audit findings

The Clerk is the only employee of the council and payroll is outsourced. I reviewed a sample payslip and the payroll deductions appear correct.

I reviewed the total figure being included within box 4 (staff costs) on the Annual Governance and Accountability Return (AGAR) and was able to confirm from the accounting software that this includes only salary payments, HMRC payments and pension contributions

There are no councillor allowances, although the Clerk is aware that if paid to eligible (elected) members, these must be processed through payroll and assessed for tax and national insurance.

CONCLUSION

I am satisfied this control objective has been met.

H. ASSETS AND INVESTMENTS

Internal audit requirement

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

Audit findings

The Smaller Authorities Proper Practices Panel (SAPPP) Practitioner's guide provides updated guidance on assets and asset registers as below:

5.58 The asset register should contain in its most simple form the date of acquisition, cost of acquisition, useful life estimate and location along with value held for investments; however, it is desirable for the register to contain other such supplementary information to enable the user to better understand the nature and scope of the use of the fixed asset. It is therefore recommended to show insurance value, replacement value, custodian, date last physically vouched.

5.59 Each authority may choose an appropriate minimum value for deciding between fixed assets and general consumables. The limit chosen will relate to expected useful life, whether the item would be included on an insurance claim and whether it is included in the risk assessment of the authority in any way. This minimum level is to be minuted and reviewed at least annually. The rationale and methodology should be recorded in the minutes.

5.60 One item or group of similar items shall be regarded for inclusion in the fixed asset register.

5.61 Assets should be first recorded in the asset register at their actual purchase cost.

5.62 Assets that are either under construction or have not been brought into use should be included on the asset register only once complete and they benefit the community.

5.63 Obsolete assets that are no longer in use or are awaiting disposal should be clearly recorded as such.

5.64 Where an authority receives an asset as a gift at zero cost, for example by community asset transfer, it should be included with a nominal one-pound (£1) value as a proxy for the zero cost.

5.65 Assets that do not have a functional purpose or any intrinsic resale value (for example, a village pond or war memorial) are often referred to as 'community assets'. Authorities should record community assets in the asset register in the same way as gifted assets.

5.66 The particular method of asset valuation is not specified in proper practices so authorities may use any reasonable approach to be applied consistently from year to year. The method of asset valuation adopted should be set out in a policy approved by the authority and recorded in the authority's minutes and in the asset register.

5.67 For authorities covered by this guide, the most appropriate and commonly used method of fixed asset valuation for first registration on the asset register is at acquisition cost. This means that the recorded value of the asset will not change from year to year unless it is materially enhanced.

5.68 Commercial concepts of depreciation, impairment adjustments, and revaluation are not required nor appropriate for this method of asset valuation.

5.69 The total value of an authority's assets recorded on the asset register as at 31 March each year is reported at Line 9 on the authority's AGAR. Authorities should be able to track and explain fully any changes in the asset register from year to year.

The council has a fixed asset register in place, maintained in an Excel format, which includes details of asset location, date of acquisition, original purchase price, replacement value, and insurance value. Assets are correctly listed at cost/proxy cost, or where gifted/donated, given a nominal £1 value for the purpose of the asset register.

I confirmed by sample testing of the invoices that items added during the year have been accurately recorded at the original net purchase price.

The Smaller Authorities Proper Practices Panel (SAPPP) Practitioner's guide provides updated guidance on investments, and defines a long-term investment as below:

1.11 Arrangements need to be in place to ensure that the authority's funds are managed properly and that any amounts surplus to requirements is invested appropriately, in accordance with an approved strategy which needs to have regard to the government's Statutory Guidance on Local Government Investments. If total investments are to exceed the threshold specified in the statutory guidance at any time during a financial year, the authority needs to produce and approve an annual Investment Strategy in accordance with the guidance.

2.23 Short-term investments, which mainly include deposit and savings accounts typically provided by banks, are those that display the following characteristics:

a. are denominated in pounds Sterling;
b. be realisable at full value on demand or have a maturity end date of not more than 12 months;
c. the whole of the original sum invested can, from the time that the investment is made, be accessed for use by the authority without any reduction; and
d. the authority has assessed the counterparty and is satisfied that the original sum invested is not subject to unreasonable risk.

2.26 A long-term investment arises where the authority invests money in anything other than a short-term investment.

The council's bank balances are below £100,000 and in accordance with the statutory guidance is not required to adopt an Investment Strategy.

The council has no long-term investments.

The council has no borrowing through the PWLB.

CONCLUSION

I am satisfied this control objective has been met.

I. BANK AND CASH

Internal audit requirement

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

Audit findings

I note the council have deleted model Financial Regulation 2.2 from their adopted version, which relates to independent verification of bank statements. As this is an essential internal control, I recommend this is reintroduced when the new Financial Regulations are adopted (FR 2.6 in the current NALC model).

I reviewed the year-end bank reconciliation for all accounts and was able to confirm the balances on 31 March 2026 to the bank statements and found no errors. I was able to confirm the total bank balances to the figure included in the Accountings Statements on the AGAR.

As the council's annual budget is below the €500,000 (£430,950 as of 3 July comparative date) threshold, it is protected by the Financial Services Compensation Scheme (FSCS).

The council holds accounts with Unity Trust Bank. At the date of the internal audit, the balances held are within the £120,000 protection limit per financial institution offered by the Financial Services Compensation Scheme (FSCS).

CONCLUSION

I am satisfied this control objective has been met.

J. YEAR END ACCOUNTS

Internal audit requirement

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

Audit findings

The council is reminded that at its meeting to sign the Annual Governance and Accountability Return (AGAR), it should complete the steps in the following order:

- **Review and consider the Annual Internal Audit Report**
- **Complete Section 1 – Annual Governance Statement**
- **Complete Section 2 – Accounting Statements**

Section 1 – Annual Governance Statement

Based on the internal audit findings, I recommend using the table below as the basis for that discussion.

	Annual Governance Statement	*'Yes,' means that this authority*	Suggested response based on evidence
1	We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	*prepared its accounting statements in accordance with the Accounts and Audit Regulations.*	**YES** – accounts follow latest Accounts and Audit Regulations and practitioners guide recommendations.

2	We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	*made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.*	**YES** – there is regular reporting of financial transactions and accounting summaries, offering the opportunity for scrutiny.
3	We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	*has only done what it has the legal power to do and has complied with Proper Practices in doing so.*	**YES** – the Clerk advises the council in respect of its legal powers.
4	We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	*during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.*	**NO** – the requirements and timescales for 2024/25 year-end were not correctly followed.
5	We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	*considered and documented the financial and other risks it faces and dealt with them properly.*	**YES** – the council has a risk management scheme and appropriate external insurance.
6	We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	*arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.*	**YES** – the council has appointed an independent and competent internal auditor.
7	We took appropriate action on all matters raised in reports from internal and external audit.	*responded to matters brought to its attention by internal and external audit.*	**NO –** the council has not responded to matters raised at the last Internal Audit.
8	We considered whether any litigation, liabilities or commitments, events, or transactions, occurring either during or after the year-end, have a financial impact on this authority and. Where appropriate,	*disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.*	**YES** – no matters were raised during the internal audit visits.

	have included them in the accounting statements.		
9	Trust funds including charitable – In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/asset(s), including financial reporting and, if required, independent examination or audit.	*has met all its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts*.	**N/A** – the council has no trusts
10	The local authority has made suitable arrangements for its IT and data management and has complied with proper practices in doing so	*has made suitable arrangements for its IT and data management and has complied with proper practices in doing so*	**YES** – the council has met the requirements of Governance Assertion 10

Section 2 – Accounting Statements

AGAR box number		2024/25	2025/26	Internal Auditor notes
1	Balances brought forward	15,318	22,501	Agrees to 2024/25 carry forward (box 7)
2	Precept or rates and levies	37,565	39,250	Figure confirmed to central precept record
3	Total other receipts	4,296	7,727	Agrees to underlying accounting records
4	Staff costs	11,552	7,713	Agrees to underlying accounting records. Includes only expenditure allowed as staff costs (see section G)
5	Loan interest/capital repayments	0	0	Council has no borrowing
6	All other payments	23,126	38,773	Agrees to underlying accounting records Change from 6 to 5
7	Balances carried forward	22,501	22,992	Casts correctly and agrees to balance sheet
8	Total value of cash and short- term investments	22,501	22,992	Agrees to bank reconciliation for all accounts
9	Total fixed assets plus long- term	16,809	17,851	Matches asset register total and changes from previous year have been traced

	investments and assets			
10	Total borrowings	0	0	Council has no borrowing
11	Do the figures in the accounting statements above exclude any trust funds	N/a	YES	Yes –the council has no trusts.

Audit findings

The year-end accounts have been correctly prepared on a receipts and payments basis with no requirement to complete the box 7 and 8 reconciliation.

The AGAR correctly casts and cross casts and last year's comparatives match the figures submitted for 2024/25 and published on the council website.

The variance analysis has been completed and, in my opinion, provides sufficient financial and narrative information to explain the variances to the External Auditor.

CONCLUSION

I am satisfied this control objective has been met.

K. LIMITED ASSURANCE REVIEW

Internal audit requirement

IF the authority certified itself as exempt from a limited assurance review in the previous year, it met the exemption criteria and correctly declared itself exempt.

Audit findings

CONCLUSION

The council did not certify itself exempt from a limited assurance review in the previous year and the testing for this internal control objective is not applicable.

L: PUBLICATION OF INFORMATION

Internal audit requirement

The authority publishes information on a free to access website/webpage, up to date at the time of the internal audit in accordance with relevant legislation

Audit findings

All councils are required to follow The Accounts and Audit Regulations which include the following requirements:

13(1) An authority must publish (which must include publication on that authority's website)

(a) the Statement of Accounts together with any certificate or opinion entered by the local auditor in accordance with section 20(2) of the Act; and

(b) the Annual Governance Statement approved in accordance with regulation 6(3)

13(2) Where documents are published under paragraph (1), the authority must

(a) keep copies of those documents for purchase by any person on payment of a reasonable sum; and

(b) ensure that those documents remain available for public access for a period of not less than five years beginning with the date on which those documents were first published in accordance with that paragraph.

I was able to confirm that pages 4 (Annual Governance Statement), 5 (Accounting Statements) and 6 (External Auditor's Report and Certificate) of the AGARs are available for review on the council website for the previous five financial years.

Confirm that the council is compliant with the relevant transparency code

For councils with a turnover over £25,000, it is recommended best practice to follow the Local Government Transparency Code 2015, but not a statutory requirement and therefore not subject to verification during the internal audit.

CONCLUSION

I am satisfied this control objective has been met.

M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS

Internal audit requirement

The authority, during the previous year, correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.

Audit findings

Inspection – key dates	2024/25 Actual	2025/26 Proposed
Date AGAR signed by council	**27th June 2025**	3rd June 2026
Date inspection notice issued	**27th June 2025**	4th June 2026
Inspection period begins	30th June 2025	5th June 2026
Inspection period ends	8th August 2025	16th July 2026
Correct length (30 working days)	Yes	Yes
Common period included (first 10 working days of July)	Yes	Yes

The Parish Council did not comply with the statutory requirements for the Notice of Exercise of Public Rights. In contravention of Regulation 15(2)(b) of the Accounts and Audit Regulations 2015, the AGAR was approved and signed on the same day that the public rights period was announced, rather than the announcement being made at least one clear day after approval.

I am not satisfied the requirements of this control objective were met for 2024/25, and assertion 4 on the Annual Governance Statement should therefore be signed NO by the council.

I reviewed the proposed dates for the Exercise of Public Rights for the 2025/26 AGAR and confirm that these are in accordance with the requirements of the Accounts and Audit Regulations.

CONCLUSION

I am not satisfied this control object has been met. Please see the comments above and our recommended course of action in the table at the end of this report.

N: PUBLICATION REQUIREMENTS

Internal audit requirement

The authority complied with the publication requirements for the prior year AGAR.

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
• Section 1 - Annual Governance Statement 2024/25, approved and signed, page 4
• Section 2 - Accounting Statements 2024/25, approved and signed, page 5

Not later than 30 September 2025 authorities must publish:
•Notice of conclusion of audit
•Section 3 - External Auditor Report and Certificate
•Sections 1 and 2 of AGAR including any amendments as a result of the limited assurance review.
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.

Audit findings

Whilst I was able to confirm that the Notice of the Period of Public Rights and Section 1 (Annual Governance Statement) and Section 2 (Accounting Statement) were published on the council's website before 1 July 2025, these are not the signed and approved versions as required and I must therefore answer no to this assertion.

The External Auditor's Report for 2024/25 was qualified, with the following 'As part of our intermediate testing, it appears that the council last reviewed their Risk Assessment 5 May 2023. Paragraph 1.32 oI JPAG Practitioners' Guide 2O24 provides that these risks need to be assessed, or existing assessments considered, during the year to ensure they are appropriately managed and/or mitigated. Therefore, we would have expected assertion 5 on the Annual Governance Statement to have been answered 'no'. The council should look to ensure this is reviewed annually going forwards.
The internal auditor noted that the publication requirements had not been met in respect ot lhe 2023124 AGAR during 2024125, whilst we note that these documents have largely now been published, the council should have provided a No response to Assertion 4 as the internal auditor directed'.

The External Audit report has been published on the council website along with the Notice of Conclusion of Audit before the 30 September 2025 and was reported to the council meeting held on 3rd September 2025 (minute ref 133).

CONCLUSION

I am not satisfied this control object has been met. Please see the comments above and our recommended course of action in the table at the end of this report.

O. DIGITAL AND DATA COMPLIANCE

Internal audit requirement

The local authority has made suitable arrangements for its IT and data management and has complied with proper practices in doing so

Audit findings

The Smaller Authorities Proper Practices Panel (SAPPP) Practitioner's Guide (March 2025) contains guidance on the new Governance Assertion included on the 2025/26 AGAR which relates to this internal control objective.

Website

I was able to confirm that the council website contains a Privacy Notice and a Website Accessibility Statement. However, The Website Accessibility Statement does not reference partial compliance with the Web Content Accessibility Guidelines (WCAG) 2.2 AA and I recommend that this is addressed as soon as possible.

***I recommend that the council adopts an IT Policy and completes a regular data audit to comply with GDPR Regulations*.**

Email management and GDPR

It was noted the council has a generic email address on a domain owned by the council and has established common email addresses for all councillors. This is recommended because it gives a natural segregation between work and personal lives, making it clear beyond doubt in what capacity a councillor is acting. In addition to this it gives control to the council, adds a degree of professionalism and in the event of a FOI request limits access to personal computers.

CONCLUSION

I am satisfied this control objective has been met.

P. TRUSTEESHIP

Internal audit requirement

Trust funds (including charitable) – The council met its responsibilities as a trustee.

Audit findings

The council has no trusts.

CONCLUSION

The council has no trusts and the testing for this internal control objective is not applicable.

Achievement of control assertions at final internal audit date

Based on the tests conducted during the interim audit, our conclusions on the achievement of the internal control objectives to date are summarised in the table below.

	INTERNAL CONTROL OBJECTIVE	YES	NO	NOT COVERED
A	Appropriate accounting records have been properly kept throughout the financial year	✓		
B	This authority complied with its Finance Regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for		✓	
C	This authority assesses the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these	✓		
D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E	Expected income was fully received, based on correct prices, properly recorded, and promptly banked; and VAT was appropriately accounted for	✓		
F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for			✓
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.	✓		
H	Asset and investments registers were complete and accurate and properly maintained.	✓		
I	Periodic bank account reconciliations were properly carried out during the year.	✓		
J	Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded.	✓		
K	If the authority certified itself as exempt from a limited assurance review in the previous year, it met the exemption criteria and correctly declared itself exempt.			✓
L	The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
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.		✓	
N	The authority complied with the publication requirements for prior year AGAR.		✓	
O	The local authority has made suitable arrangements for its IT and data management and has complied with proper practices in doing so	✓		
P	Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

Should you have any queries please contact me directly at tracey@mulberrylas.co.uk

Yours sincerely

T J Euesden

Tracey Euesden
Mulberry Local Authority Services Ltd

Internal Audit – Summary of recommendations		
Audit Point	**Internal Audit Findings**	**Council comments**
B. FINANCE REGULATIONS, GOVERNANCE AND PAYMENTS	I confirmed by sample testing that councillors sign "Acceptance of Office" forms. I recommend the form is amended to include formal acceptance to receive information by electronic means in the form *"As per Schedule 12 of the Local Government Act 1972, I consent to the receipt of all council meeting papers by electronic methods. I understand I may withdraw this consent at any time"* I remind council it is required to also post any supporting documentation with the agendas as outlined by the Information Commissioner's Office (page 3 of this link) www.ico.org.uk/minutesandagendas *I recommend that the minutes are clearly marked as draft or that a statement is added to the relevant page of the website that they are in 'draft form until ratified at the next meeting.'* *I note the council has deleted model Financial Regulation 2.2 from their adopted version, which relates to independent verification of bank statements. As this is an essential internal control, I recommend this is reintroduced when the new Financial Regulations are adopted (FR 2.6 in the current NALC model).*	

M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS	*The Parish Council did not comply with the statutory requirements for the Notice of Exercise of Public Rights. In contravention of Regulation 15(2)(b) of the Accounts and Audit Regulations 2015, the AGAR was approved and signed on the same day that the public rights period was announced, rather than the announcement being made at least one clear day after approval.* *I am not satisfied the requirements of this control objective were met for 2024/25, and assertion 4 on the Annual Governance Statement should therefore be signed NO by the council.*	
N: PUBLICATION REQUIREMENTS	*Whilst I was able to confirm that the Notice of the Period of Public Rights and Section 1 (Annual Governance Statement) and Section 2 (Accounting Statement) were published on the council's website before 1 July 2025, these are not the signed and approved versions as required and I must therefore answer no to this assertion.*	
O. DIGITAL AND DATA COMPLIANCE	I was able to confirm that the council website contains a Privacy Notice and a Website Accessibility Statement. However, The Website Accessibility Statement does not reference partial compliance with the Web Content Accessibility Guidelines (WCAG) 2.2 AA and I recommend that this is addressed as soon as possible. ***I** recommend that the council adopts an IT Policy and completes a regular data audit to comply with GDPR Regulations*	