



Mrs T Miles
Clerk to the Council
Wouldham Parish Council
81 High Street
Wouldham
Kent
ME1 3XG

23rd April 2026

Dear Tina Miles

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

Executive summary

Following completion of our final internal audit on 23rd April 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 transactions were examined, our sample testing, where appropriate, covered the financial year to date.

Some assertions, as noted in this report, were tested at the interim internal audit completed during the financial year and the council should review all internal audit reports for the year before completing the Annual Governance Statement.

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.

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 Debbie Siddle of Mulberry Local Authority Services Ltd, who has over 20 years’ experience in finance related roles with the last 13 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

UPDATES ON RECOMMENDATIONS FROM INTERIM AUDIT 4

A. BOOKS OF ACCOUNT 5

B. FINANCE REGULATIONS, GOVERNANCE AND PAYMENTS 5

C. RISK MANAGEMENT AND INSURANCE 7

D. BUDGET, PRECEPT AND RESERVES 8

E. INCOME 9

F. PETTY CASH..... 10

G. PAYROLL..... 10

H. ASSETS AND INVESTMENTS 10

I. BANK AND CASH 11

J. YEAR END ACCOUNTS 11

K. LIMITED ASSURANCE REVIEW 15

L: PUBLICATION OF INFORMATION 15

M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS..... 16

N: PUBLICATION REQUIREMENTS..... 17

O. DIGITAL AND DATA COMPLIANCE 17

P. TRUSTEESHIP 18

Achievement of control assertions at final internal audit date 18

Internal Audit – Summary of recommendations..... 20

D. BUDGET, PRECEPT AND RESERVES 20

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 ‘Teams’ meeting, 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 www.wouldhampc.com.

UPDATES ON RECOMMENDATIONS FROM INTERIM AUDIT

Internal Audit – Summary of recommendations

Audit Point	Interim Audit Findings	Council comments
A. BOOKS OF ACCOUNT	Consider implementing enhanced controls — including documented version control procedures, restricted editing rights, and a clear audit trail — or adopt a dedicated accounting package to mitigate the inherent risks associated with spreadsheet-based financial records	Version updates implemented. Package considered but disregarded as current situation only due to S106
B. FINANCE REGULATIONS, GOVERNANCE AND PAYMENTS	It is recommended that all GDPR policies are reviewed and uploaded onto the website.	GDPR policy reviewed and adopted 3 rd March 2026
B. FINANCE REGULATIONS, GOVERNANCE AND PAYMENTS	It is recommended that Council review Standing Orders and ADOPT an up-to-date version, adapted to their needs and the website is updated accordingly.	Standing Orders are on the website and are the most recent version. Last adopted 3 rd March 2026
B. FINANCE REGULATIONS, GOVERNANCE AND PAYMENTS	It is recommended that Council review Financial Regulations and ADOPT an up-to-date version, adapted to their needs and the website is updated accordingly.	Financial Regulations are on the website and are the most recent version. Last adopted 1 st April 2025.
G. PAYROLL	It is recommended staff performance reviews are conducted regularly	March 2026 minutes show that these were arranged. Two staff members’ appraisals completed, Clerk in progress.
I. BANK AND CASH	I recommend the reconciliations are noted in the meeting and recorded in the minutes to comply with Financial Regulations.	This process is in place.

A. BOOKS OF ACCOUNT

Internal audit requirement

Appropriate accounting records have been kept properly during the year.

Audit findings

Testing conducted at the interim audit and findings included in the interim audit report.

The interim audit recommended that the council should review using Excel for its accounts and that if it chooses to continue it should implement enhanced controls such as version control procedures, restricted editing rights, and a clear audit trail, or consider adopting a dedicated accounting package to mitigate the inherent risks associated with spreadsheet-based financial records. Council reviewed this and chose to continue using Excel but has implemented version controls.

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

Testing conducted at the interim audit and findings included in the interim audit report.

At final audit I confirmed that the most up to date versions of the Standing Orders and Financial Regulations had been adopted and are on the website. An updated GDPR policy has also been agreed and is on the website.

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

Procurement

The council's adopted Financial Regulations include processes relating to procurement and include the following:

- FR 5.6 *For contracts estimated to exceed £60,000 including VAT, the Clerk shall seek formal tenders from at least three suppliers agreed by the council.*
- FR 5.7 *For contracts estimated to be over £30,000 including VAT, the council must comply with any requirements of the Legislation regarding the publication of invitations and notices.*
- FR 5.8 *For contracts greater than £3,000 excluding VAT the Clerk or RFO shall seek at least 3 fixed-price quotes; Where this is not possible, a full report shall be presented to Full Council explaining why this has not been possible, with recommendations on how to move forward.*
- FR 5.9 *Where the value is between £500 and £3,000 excluding VAT, the Clerk or RFO shall try to obtain 3 estimates which might include evidence of online prices, or recent prices from regular suppliers*

FR 5.10 For smaller purchases, the Clerk or RFO shall seek to achieve value for money.

FR 5.20 An official order or letter shall be issued for all work, goods and services above £250 excluding VAT unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained, along with evidence of receipt of goods.

The Clerk talked me through a typical procurement process completed by the council and I was able to confirm that the requirements of Financial Regulations 5.6 to 5.10 have been followed in obtaining prices from suppliers.

Authorisation

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

FR 5.15 Individual purchases within an agreed budget for that type of expenditure may be authorised by:

- *clerk/RFO, under delegated authority, for any items below £500 excluding VAT.*
- *The Clerk, in consultation with the Chair of the Council for any items below £2,000 excluding VAT.*
- *The council for any grants within the agreed budget*
- *The council for all items over £5,000*

FR 5.18 In cases of serious risk to the delivery of council services or to public safety on council premises, the clerk may authorise expenditure of up to £2,000 excluding VAT on repair, replacement or other work that in their judgement is necessary, whether or not there is any budget for such expenditure. The Clerk shall report such action to the Chair as soon as possible and to [the council] as soon as practicable thereafter.

The authorisation section of the financial regulations require review to ensure all financial amounts are covered. Currently there is no indication of what happens for authorising items between £2,000 and £5,000. In practise the Clerk confirmed that all expenditures over £500 are taken to Council, so what happens in reality is a more cautious and risk averse system than covered the financial regulations.

Payment

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

FR7.4. The Service Administrator shall set up all items due for payment online. A list of payments for approval, together with copies of the relevant invoices, shall be presented at a council meeting to be approved by authorised signatories.

FR7.5. In the prolonged absence of the Service Administrator, the Chair shall set up any payments due before the return of the Service Administrator.

FR7.6. Two councillors who are authorised signatories shall check the payment details against the invoices before approving each payment before the Clerk/RFO makes payment using the online banking system.

FR7.7. *Evidence shall be retained showing which members approved the payment and a printout of the transaction confirming that the payment has been made shall be appended to the invoice for audit purposes.*

FR7.8. *A full list of all payments made in a month shall be provided to the next council meeting and appended to the minutes.*

I tested the payments process and confirmed that the council has in place a system to segregate duties in terms of the setting up and subsequent release of payments made via online banking in accordance with the council's adopted Financial Regulations, and has sufficient individuals authorised to complete these steps, minimising the risk of being unable to make payments in a timely fashion.

Confirm that checks of the accounts are made by a councillor

The system noted above details the internal review that takes place and I am under no doubt that council properly approves expenditure.

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.

CONCLUSION

I am satisfied this control objective has been met.

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

Testing conducted at the interim audit and findings included in the interim audit report.

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

Testing conducted at the interim audit and findings included in the interim audit report.

Budget

The Clerk/RFO produces regular detailed budget reports from Excel.

We discussed the benefits of monitoring income against budget (as council already do for expenditure) through the year and I advised the Clerk to include this in the budget reporting to council.

The year-end budget report shows income/receipts reported as 125% (due to higher than usual VAT refunds and hall hires) of budget and expenditure/payments at 85%. There is no evidence to suggest that the budget has not been accurately set and carefully monitored throughout the year.

Calculate expected income for budget and precept setting, will start putting budgeted income.

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 £70,433.82 for 2025/26. With a tax base of £130.65, this equates to a band D equivalent of £54.11 (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 6th January 2026.

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 circa £175,707 in reserves, split between categories as below:

- S106 EMRs £38,955
- Other Earmarked EMRs £81,000
- General Reserves £55,752

I checked the purpose of these earmarked reserves with the Clerk, they are reviewed by Council and I 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

Testing conducted at the interim audit and findings included in the interim audit report.

Fees and charges were last reviewed in March 2026. **I recommend that in future the fees and charges review cycle is undertaken annually as part of budget setting as per the financial regulations.**

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 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

Testing conducted at the interim audit and findings included in the interim audit report.

At interim audit it was recommended that a staff performance review system was put in place. This has been done.

I reviewed the figure included in box 4 (staff costs) on the Accounting Statements and was able to confirm from the accounting software that in accordance with the guidance contained in the Smaller Authorities Proper Practices Panel (SAPPP) Practitioner's guide this includes only salary payments, HMRC payments and pension contributions.

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

Testing conducted at the interim audit and findings included in the interim audit report.

I confirmed the asset register total matches that included in box 9 (total fixed assets plus long term investments and assets) on the Accounting Statements and was able to trace the changes to the previous year's total against the asset register. I confirmed by sample testing of the invoices that items added during the year has been accurately recorded as the original net purchase price.

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

Testing conducted at the interim audit and findings included in the interim audit report.

At interim audit it had been recommended that bank reconciliations are noted in the meeting and recorded in the minutes to comply with Financial Regulations. The Clerk confirmed that this process has now been put in place.

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.

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. The Clerk confirmed that council will also review their statement of internal control.

	Annual Governance Statement	<i>‘Yes’, means that this authority</i>	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.	<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>	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.	<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>	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.	<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>	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.	<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority’s accounts.</i>	YES – the requirements and timescales for 202/25 year-end were 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.	<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>	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.	<i>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.</i>	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.	<i>responded to matters brought to its attention by internal and external audit.</i>	YES – matters raised in internal and external audit reports have been addressed.
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, have included them in the accounting statements.	<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>	YES – no matters were raised during the internal audit visits.
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.	<i>has met all its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>	N/A – the council has no trusts
10	We have put in place arrangements for the effective IT and data management in accordance with proper practices during the year under review.	<i>has made suitable arrangements for its IT and data management and has complied with proper practices in doing so</i>	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	209,451	181,706	Agrees to 2024/25 carry forward (box 7)
2	Precept or rates and levies	69,856	70,434	Figure confirmed to central precept record
3	Total other receipts	10,135	26,337	Agrees to underlying accounting records
4	Staff costs	34,579	42,078	Agrees to underlying accounting records. Includes only expenditure allowed as staff costs (see section G)
5	Loan interest/capital repayments	5,224	0	Council has no borrowing
6	All other payments	67,933	60,692	Agrees to underlying accounting records
7	Balances carried forward	181,706	175,707	Casts correctly and agrees to balance sheet
8	Total value of cash and short- term investments	181,706	175,707	Agrees to bank reconciliation for all accounts
9	Total fixed assets plus long- term investments and assets	173,810	177,868	Matches asset register total and changes from previous year have been traced
10	Total borrowings	0	0	Council has no borrowing
11	Do the figures in the accounting statements above exclude any trust transactions	Y	Y	Yes – trust transactions are excluded in the stated figures

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

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	3 rd June 2025	5 th May 2026
Date inspection notice issued	9 th June 2025	3 rd June 2026
Inspection period begins	10 th June 2025	4 th June 2026
Inspection period ends	21 st July 2025	15 th July 2026
Correct length (30 working days)	Yes	Yes
Common period included (first 10 working days of July)	Yes	Yes

I am satisfied the requirements of this control objective were met for 2024/25, and assertion 4 on the Annual Governance Statement can therefore be signed yes 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 satisfied this control objective has been met.

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

Testing conducted at the interim audit and findings included in the interim audit report.

CONCLUSION

I am satisfied this control objective has been met.

O. DIGITAL AND DATA COMPLIANCE

Internal audit requirement

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

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. The Website Accessibility Statement correctly references partial compliance with the Web Content Accessibility Guidelines (WCAG) 2.2 AA and was last updated in January 2026.

The council has an IT Policy in place which was last reviewed and approved by the council at the meeting held on 2nd December 2025 (minute ref 7.4).

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.

The council had not completed a data audit in the year, and I recommend the council ensures this is completed regularly to comply with GDPR regulations.

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 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			✓ no petty cash
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 authority has complied with laws, regulations and proper practices relating to digital and data compliance	✓		
P	Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

Should you have any queries please contact me directly on debbie@mulberrylas.co.uk.

Yours sincerely

Deborah Siddle

Debbie Siddle

Internal Auditor, Mulberry Local Authority Services Ltd

Internal Audit – Summary of recommendations

Audit Point	Internal Audit Findings	Council comments
B. FINANCE REGULATIONS, GOVERNANCE AND PAYMENTS	The authorisation section of the financial regulations require review to ensure all financial amounts are covered. Currently there is no indication of what happens for authorising items between £2,000 and £5,000. In practise the Clerk confirmed that all expenditures over £500 are taken to Council, so what happens in reality is a more cautious and risk averse system than covered the financial regulations.	
D. BUDGET, PRECEPT AND RESERVES	We discussed the benefits of monitoring income against budget (as council already do for expenditure) through the year and I advised the Clerk to include this in the budget reporting to council.	
E. INCOME	I recommend that in future the fees and charges review cycle is annually as part of budget setting as per the financial regulations.	
O. DIGITAL AND DATA COMPLIANCE	The council had not completed a data audit in the year, and I recommend the council ensures this is completed regularly to comply with GDPR regulations.	