



Mrs J Ellis
Clerk to the Council
Hurst Green Parish Council
Village Hall
Station Road
Hurst Green
East Sussex
TN19 7PL

23rd May 2026

Dear Janet

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

Executive summary

Following completion of our final internal audit on 13th 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 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 significant 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 fit for purpose. While this report may include recommendations for improvement, these are not indicative of any significant failings, but rather are pointers to improving upon an already well-ordered system.

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	6
B. FINANCE REGULATIONS, GOVERNANCE AND PAYMENTS	6
C. RISK MANAGEMENT AND INSURANCE	7
D. BUDGET, PRECEPT AND RESERVES	7
E. INCOME	9
F. PETTY CASH.....	9
G. PAYROLL.....	9
H. ASSETS AND INVESTMENTS	10
I. BANK AND CASH	10
J. YEAR END ACCOUNTS.....	11
K. LIMITED ASSURANCE REVIEW	14
L: PUBLICATION OF INFORMATION	14
M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS.....	15
N: PUBLICATION REQUIREMENTS.....	16
O. DIGITAL AND DATA COMPLIANCE	16
P. TRUSTEESHIP	17
Achievement of control assertions at final internal audit date	18
Internal Audit – Summary of recommendations.....	19

INTRODUCTION

The audit was conducted on site with the Responsible Financial Officer (RFO). The RFO 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 www.hurstgreen-pc.gov.uk.

UPDATES ON RECOMMENDATIONS FROM INTERIM AUDIT

Internal Audit – Summary of recommendations

Audit Point	Interim Audit Findings	Council comments
B. FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS	I note the internal auditor report was received by the council after signing the Annual Governance Statement, and I recommend that this is considered prior to signing it in future, as this helps inform the council's opinion in completing the Governance Statement.	RFO will ensure that these go on the agenda in the correct order
	I recommend that these are amended to include a formal acceptance to receive information by electronic means in the form <i>"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>	The clerk had confirmed to the RFO that this is included
	It was noted the council has established common email addresses for all councillors although these are not being used by all councillors.	The Risk Assessment states that all councillors must do so by 31 March 2026, however there was an IT issue with a couple of councillors and the clerks email address which meant this was not completed by 31 March 2026.
	I also note the Clerk's contact email address on the website is via yahoo, which is not a domain owned by the council and therefore not in accordance with the requirements of Governance Assertion 10.	
	The Website Accessibility Statement refers to partial compliance with WCAG 2.1 AA. The current standard is WCAG 2.2 AA and the website should be checked and the statement updated to reflect the level of compliance with the current standard.	There is no Website Accessibility Statement on the website and the current website cannot be made accessible. The council intends to source a new website provider.

	The council does not currently have either an IT Policy nor Freedom of Information Publication Scheme in place, and these will need to be adopted and published on the council website by 31 March 2026, and the Website Accessibility Statement updated, for the council to meet the requirements of Governance Assertion 10. Minutes are uploaded to the council website although I note the most recent minutes are for the October 2025 meetings, with the November 2025 meeting minutes yet to be published. The draft minutes should be published as soon as practicable after the meeting to provide full transparency to the public. The council has in place a system to make online payments, which does not include any dual authentication process. While the council has updated its Financial Regulations to reflect this, dual authentication remains the recommended best practice to minimise the risk of errors or deliberate unauthorised payments and the council should consider how to implement this.	IT policy considered and agreed at 31 March 2026 meeting (minute reference 9.2) and on website Fol policy agreed 17 March 2026 (minute reference 4.1) and on website The website is up to date with minutes to 31 March 2026 but the draft April 2026 minutes are not uploaded The council is in the process of moving to a dual payment process and is adding councillors as signatories in order to ensure that there are sufficient signatories when this process starts.
C. RISK MANAGEMENT AND INSURANCE	The council has yet to consider its risk assessment during the financial year. This must be completed by 31 March and the review noted in the minutes of the relevant meeting for the council to achieve a positive sign-off for this internal control objective.	Considered and agreed at 31 March 2026 meeting (minute reference 4.5)
D. BUDGET, PRECEPT AND RESERVES	I note that there are two negative earmarked reserves at the date of the interim internal audit and these will need to be cleared by the financial year-end.	This has been amended
G. PAYROLL	The council has two employees on the payroll. Despite being in post for over eighteen months, the RFO still does not have in place a contract of employment. This is contrary to employment law and has been highlighted previously to the council as an urgent issue in need of addressing. Consequently, I am unable to confirm a	The RFO now has a contract of employment in place, and both members of staff have job descriptions.

	positive sign-off for this internal control objective.	
I. BANK AND CASH	I was able to confirm that the bank reconciliations have been verified in accordance with Financial Regulations, and evidence of this activity taking place is recorded within the minutes of meetings, although this is currently completed at the meeting, and I recommend the actual verification takes place in advance of the meeting.	Process is now in place to comply with the FRs

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.

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.

The interim audit recommended that Acceptance of Office forms are amended to include a 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 RFO confirmed that the template form does this.

The interim audit noted the most recent minutes uploaded to the website were for the October 2025 meetings, with the November 2025 meeting minutes yet to be published. I confirmed that the website was up to date with minutes to 31st March, but the draft April minutes had not yet been uploaded, and **I remind council that draft minutes should be published as soon as practicable after the meeting to provide full transparency to the public.**

The RFO confirmed that the council is working towards putting a dual authentication process in place to make online payments and I recommend council implements this as soon as possible.

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.

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.

The interim audit noted that council was yet to consider its risk assessment during the financial year. I confirmed this was considered and agreed at 31 March 2026 meeting (minute reference 4.5)

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 RFO produces regular detailed budget reports from the accounting software. The year-end budget report shows income/receipts reported as 103% of budget and expenditure/payments at 125%. The RFO explained the new playground final payment unexpectedly came into the 2025/26 year. 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 £65,818 for 2025/26. With a tax base of 594.81, this equates to a band D equivalent of £110.65 (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 RFO confirmed that the 2026/27 budget and precept were approved by the council at the meeting held on 27th January 2026 (minute ref 4.5).

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.

The interim noted that there were two negative earmarked reserves at the date of the interim internal audit which were cleared by the financial year-end.

At the year-end, the council held circa £60,249 in reserves, split between categories as below:

• Neighbourhood Plan EMR	£1,360.55
• Streetlighting EMR	£5,000
• Water compensation	£201.68
• Community/fixed assets EMR	£1,300
• Community shop EMR	£2,010
• Zurich Claim EMR	£630
• CCTV EMR	£1,121.68
• CIL EMRs	£3,403.18 (£976.56 to be used by Oct 2026)
• General Reserves	£45,222

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. I confirmed to the Clerk that the CiL that should be used by October

2026 does not have to be used for the playgrounds but can be used for other infrastructure as per the CiL guidelines.

The general reserve balance 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.

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.

The council has two employees on the payroll. The interim identified that the despite being in post for over eighteen months, the RFO did not have in place a contract of employment. The RFO confirmed that this had now been rectified and a contract of employment and job description was in place.

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 borrowing through the Public Works Loan Board (PWLb), and I was able to confirm the figures for in year payments (box 5) and year-end balance (box 10) on the Accounting Statements against the PWLB remittance advices and year-end statement.

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.

The Interim recommended that verification of bank reconciliations takes place in advance of the meeting in accordance with Financial Regulations, the RFO confirmed that this now happens.

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**

The Interim audit noted the internal auditor report was received by the council after signing the Annual Governance Statement. The RFO confirmed they would ensure that the agenda contains the correct order this year.

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	<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	<i>during the year gave all persons interested the opportunity to inspect and ask</i>	YES – the requirements and timescales for 202/25

	with the requirements of the Accounts and Audit Regulations.	<i>questions about this authority's accounts.</i>	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>	NO – matters raised in internal and external audit reports have not been fully 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>	NO – the council has not met its responsibilities as a trustee
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>	NO – the council has not 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	77,063	70,965	Agrees to 2024/25 carry forward (box 7)
2	Precept or rates and levies	56,784	65,818	Figure confirmed to central precept record
3	Total other receipts	51,135	9,101	Agrees to underlying accounting records
4	Staff costs	20,833	21,590	Agrees to underlying accounting records. Includes only expenditure allowed as staff costs (see section G)
5	Loan interest/capital repayments	9,219	8,954	Agrees to PWLB remittance advices
6	All other payments	83,965	55,091	Agrees to underlying accounting records
7	Balances carried forward	70,965	60,249	Casts correctly and agrees to balance sheet
8	Total value of cash and short- term investments	70,965	60,249	Agrees to bank reconciliation for all accounts
9	Total fixed assets plus long- term investments and assets	174,525	177,087	Matches asset register total and changes from previous year have been traced
10	Total borrowings	71,050	65,600	Agrees to PWLB statement
11	Do the figures in the accounting statements above exclude any trust transactions	N/A	Y	Yes – trust transactions are excluded from the stated figures / No – trust transactions are included 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 as 2020/21 were not present.

Confirm that the council is compliant with the relevant transparency code

For councils with a turnover below £25,000, it is a statutory requirement to follow the Transparency Code for Smaller Authorities and testing of compliance with this requirement is detailed below.

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	20 June 2025	26 May 2026
Date inspection notice issued	24 June 2025	2 June 2026
Inspection period begins	25 June 2025	3 June 2026
Inspection period ends	5 August 2025	14 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. The RFO is proposing the above dates but, as they will not be able to be present at the May meeting, council may wish to defer these matters to June in which case the RFO is aware they will need to revise the above dates.

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 but there was no Website Accessibility Statement, it therefore does not reflect the level of compliance with the current standard. The RFO confirmed that the current website cannot be made compliant so council will need to move to a new website provider. **I remind council that a Website Accessibility Statement should be on the council website and reference partial compliance with the Web Content Accessibility Guidelines (WCAG) 2.2 AA so they should move to a new provider that can meet requirements as soon as possible.**

The council has an IT Policy in place which was last reviewed and approved by the council at the meeting held on 31st March 2026 meeting (minute reference 9.2).

The council has an FOI policy which was last reviewed and approved by the council at the meeting held on 17th March 2026 (minute reference 4.1) and on website

Email management and GDPR

The council has established common email addresses for all councillors, but some are not yet working properly. This is currently being resolved.

The interim audit noted the Clerk's contact email address on the website is via yahoo, which is not a domain owned by the council. **I confirmed that the website still has the yahoo email address for the clerk and therefore is not in accordance with the requirements of Governance Assertion 10.** The RFO confirmed that the issue is currently being resolved.

Common email addresses are 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 has not completed a data audit, and I recommend the council ensures this is completed regularly to comply with GDPR 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.

P. TRUSTEESHIP

Internal audit requirement

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

Audit findings

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

The Interim audit noted that the council is Trustee for the Cricket Field and Recreation Ground (charity number 305263) and **I remind the council that the trustees must hold at least an annual meeting, which must be separate from the council meeting (it could take place immediately before or after a council meeting).**

The RFO is exploring introducing a Memorandum of Understanding.

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.

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 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	I remind council that draft minutes should be published as soon as practicable after the meeting to provide full transparency to the public.	
	The RFO confirmed that the council is working towards putting a dual authentication process in place to make online payments and I recommend council implements this as soon as possible.	
O. DIGITAL AND DATA COMPLIANCE	I remind council that a Website Accessibility Statement should be on the council website and reference partial compliance with the Web Content Accessibility Guidelines (WCAG) 2.2 AA so they should move to a new provider that can meet requirements as soon as possible.	
	The council has established common email addresses for all councillors, but some are not yet working properly.	
	I confirmed that the website still has the yahoo email address for the clerk and therefore is not in accordance with the requirements of Governance Assertion 10.	
	The council has not completed a data audit, and I recommend the council ensures this is completed regularly to comply with GDPR regulations.	
P. TRUSTEESHIP	The council is Trustee for the Cricket Field and Recreation Ground, and I remind the council that the trustees must hold at least an annual meeting.	