



Mrs L Kleinschmidt  
Leigh Parish Council  
Salehurst Barn  
Oak Lane  
Blackham  
Kent  
TN3 9UB

28<sup>th</sup> April 2025

Dear Louise

Re: Leigh Parish Council  
Internal Audit for Financial Year Ended 31 March 2025 – Final Audit report

#### Executive summary

Following completion of our final internal audit on 28<sup>th</sup> April 2025 we enclose our report for your kind attention and presentation to the council. The audit was conducted in accordance with current practices and guidelines and testing was risk based. Whilst we have not tested all transactions, our samples have where appropriate covered the entire year to date.

Our report is presented in the same order as the assertions on the internal auditor report within the published Annual Governance and Accountability Return (AGAR). The start of each section details the nature of the assertion to be verified. Testing requirements follow those detailed in the audit plan previously sent to the council, a copy of which is available on request. The report concludes with an opinion as to whether each assertion has been met or not at this point in the year. Recommendations for action are shown in bold text and are summarised in the table at the end of the report.

Our sample testing did not uncover any errors or misstatements that require reporting to the external auditor at this time, nor did we identify any significant weaknesses in the internal controls such that public money would be put at risk.

It is clear the council takes governance, policies and procedures seriously and I am pleased to report that overall, the systems and procedures you have in place are fit for purpose and whilst my report may contain recommendations to change these are not indicative of any significant failings, but rather are pointers to improving upon an already well-ordered system.

It is therefore our opinion that the systems and internal procedures at Leigh Parish Council are well established and followed.

## 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 purpose of internal audit is to review and report to the authority on whether its systems of financial and other internal controls over its activities and operating procedures are effective.

Internal audit’s function is to test and report to the authority on whether its specific system of internal control is adequate and working satisfactorily. The internal audit reports should therefore be made available to all Members to support and inform them when they considering the authority’s approval of the annual governance statement.

## Independence and competence

Your audit was conducted by Jackie Scarff of Mulberry Local Authority Services Ltd, who has over 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 2024/25 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](mailto: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 is low, and the controls of the council can be relied upon and as such substantive testing of individual transactions is not required. Testing to be carried out will be “walk through testing” on sample data to encompass the period of the council year under review.

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## A. BOOKS OF ACCOUNT

### Internal audit requirement

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

### Audit findings

The audit was conducted on site 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 [www.leighkent.org.uk](http://www.leighkent.org.uk)

The council uses Excel for recording the council's finances. The system is updated regularly and used to produce management information reports for review at council meetings. The Clerk has developed a suite of spreadsheets which provide detailed information on the council's financial position and provides councillors with sufficient information to make informed decisions.

I tested the opening balances as at 1/4/24 by reviewing the balance brought forward and confirmed it could be agreed back to the reconciliation for the audited accounts for 2023/24 with both documents showing £98,075

## 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

Check the publication and minuting of the prior year audited AGAR and notice of conclusion of audit

The External Auditor's Report was not qualified and has been published on the council website along with the Notice of Conclusion of Audit and was reported to the council meeting held on 7 October 2024 (minute ref 96,iii).

I note the council received and considered the previous internal auditor report at the council meeting held on 7 May 2024 (minute ref 22, v).

#### **Confirm by sample testing that councillors sign statutory office forms**

I confirmed by sample testing that councillors sign "Acceptance of Office" forms. The clerk confirmed that they do not currently ask for consent to receive council meeting papers by electronic methods.

I recommend that the acceptance of office form contains an additional part with 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 council website includes a councillor page where the individual Register of Members' Interests forms are published via a link to Sevenoaks website.

#### **Confirm that the council is compliant with the relevant transparency code**

As the council's income and expenditure exceeds £25,000, it is not a statutory requirement to follow the requirements of the Local Government Transparency Code, although it is recommended best practice to do so.

#### **Confirm that the council is compliant with GDPR**

The council is fully aware of GDPR and has undergone training. It was noted the council 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 Joint Panel on Accountability and Governance (JPAG) Practitioner's Guide (March 2024) contains updated guidance on the matter as below:

#### The importance of using .gov.uk domains for websites and emails

- 5.210. All Parish, Town and Community Councils are eligible to use, and are advised to use, a .gov.uk domain for their websites and email communications. Your community, suppliers and partners will now reasonably expect a local council to have a .gov.uk domain name. Note that Parish meetings are exempt from the requirement to have a website.
- 5.211. To assist with compliance with the General Data Protection Regulations (GDPR), it is advised that clerks provide official .gov.uk email accounts to their councillors, which must only be used for official council business.
- 5.212. When choosing a domain name all councils must follow the rules set out by the Cabinet Office to choose a .gov.uk domain name, for example, 'ourparishcouncil.gov.uk' with email addresses linked to that domain.

- 5.213. Using a .gov.uk domain for your council website and email accounts gives Parish Councils the following advantages:
- 5.214. Increased professionalism and trust from members of your community, partners and suppliers because your email address and website domains are a trusted government brand.
- 5.215. Separation of your personal life from your professional life, ensuring members of your community, partners and suppliers understand what capacity you are emailing them in - whether a Councillor or Clerk.
- 5.216. Increased control for the Responsible Officer over email accounts and documentation when managing new joiners, leavers, sudden absences or Freedom of Information and Subject Access Requests.

The council has a Privacy Notice and Accessibility Statement on the home page of its website, and it is clear the council has made every effort to comply with the website requirements.

#### Confirm that the council meets regularly throughout the year

In addition to full council, the council has committees for Finance, Planning, ROW & Affordable Housing. The council does not currently publish agendas and minutes for its committees and does not have terms of reference.

A diary of future full council meeting dates is published on the council website, along with historic agendas and minutes.

I recommend publishing agendas, minutes and meeting dates for all committees as well as writing and publishing their terms of reference.

#### 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.

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) [ico.org.uk/minutesandagendas.pdf](https://ico.org.uk/minutesandagendas.pdf)

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

Minutes are uploaded to the council website.

I recommend highlighting that minutes are draft until they have been approved 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 in May 2024 (minute ref 23/102).

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

Financial Regulations are based on the current NALC model and were last reviewed and adopted by council in April 2025 (minute ref 23/103). 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

The council has thresholds in place at which authorisations to spend must be obtained as below:

FR 4. Budgetary control and authority to spend

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:

- a. the Council for all items except as detailed in 4b.;
- b. the Clerk for office expenses below £500. Such authority is to be evidenced by a minute and where necessary also by the Chair.

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 £1,500. The Clerk shall report such action to the Chair 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 although the council may wish to consider increasing the Clerk's authorisation limit within FR 4.1b to a higher figure based on their experience level.

A review of council minutes shows that council authorises payments in accordance with the adopted Financial Regulations, and 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.

**Confirm all section 137 expenditure meets the guidelines and does not exceed the annual per elector limit of £10.81 per elector**

The council confirmed its eligibility and adopted the General Power of Competence (GPC) at the annual council meeting in May 2024 and the section 137 threshold does not apply.

**Check receipt of VAT refund matches last submitted VAT return**

The council is not VAT registered and reclaims on an annual basis via a VAT 126 claim form. The reclaim for the period 1 April 2023 to 31 March 2024 showed a refund amount due of £4,607.41 and has the required company details and VAT numbers to support the claim. I was able to confirm that last year's refund amount was received into the council's bank account 5<sup>th</sup> September 2024. The Clerk has not yet completed the VAT return for the 2024/25 financial year.

**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.

## 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:

FR 2.1 The council must ensure that it has a sound system of internal control, which delivers effective financial, operational and risk management.

FR 2.2 The Clerk [with the RFO] shall prepare, for approval by [the council], a risk management policy covering all activities of the council. This policy and consequential risk management arrangements shall be reviewed by the council at least annually.

- FR 2.3 When considering any new activity, the Clerk [with the RFO] shall prepare a draft risk assessment including risk management proposals for consideration by the council.
- FR 2.4 At least once a year, the council must review the effectiveness of its system of internal control, before approving the Annual Governance Statement.

The council has a risk assessment process in place, which was last reviewed and approved by council in April 2025 (minute ref 188). I reviewed the risk assessment record, which includes a risk matrix to assess the overall risk based on likelihood and consequences of an event occurring and then assesses the risks within each sector of the council's business operations.

Each potential risk is identified, assessed using the risk matrix, prior to any mitigation measures, existing internal controls are listed and any further mitigation action which may be needed, and then a further assessment of the risk is included after the mitigation measures have been put in place. The assessment also includes details of who is responsible for any actions and when these are to be completed by.

This is a comprehensive approach and includes analysis of all risks typically associated with a council of this size with its range of services and facilities.

I note the council also has an adopted Statement of Internal Controls and I have no doubt that the council takes its risk management responsibilities seriously.

I confirmed that the council has a valid insurance policy in place with Zurich Insurance which covers the year under review. The policy includes Public Liability cover of £12 million, Employers Liability cover of £10 million and a Fraud & Dishonesty (Fidelity Guarantee) level of £250,000 which is sufficient for a council of this size, although the council is advised to keep this figure under review to ensure it covers the maximum balance held.

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.

## 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

The council set a precept of £52,500 for 2024/25. With a tax base of 952.2, this equates to a band D equivalent of £55.14 (compared to the average in England of £85.89). I was able to confirm receipt of the precept amount, and this is correctly recorded in Box 2 of the AGAR.

The Clerk confirmed that the 2025/26 budget and precept were approved by the council at the meeting held on 6 January 2025 (minute ref 148, i & 148 ii).

The year-end budget report shows income/receipts reported as 101% of budget and expenditure/payments at 98%, suggesting that the budget has 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.

At the end of the financial year, the council held circa £50,600 in earmarked reserves, spread across a range of clearly identifiable projects, including amounts received from Community Infrastructure Levy (CIL) which are identified separately. 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 Joint Panel on Accountability and Governance (JPAG) 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 general reserve balance at the end of the financial year is £50,378, which is within the recommended range.

## 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

Other than the precept, the council received income from property rental, grants, wayleaves, Community Infrastructure Levy (CIL) receipts and VAT refunds during the financial year. The property rent is reviewed each year, with the assistance of a local estate agent.

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. I tested a sample of invoices issued for each aspect of the council's operations and was able to confirm rates charged were consistent with the council's published charging schedule.

Fees are reviewed as part of the budget setting process, and confirmation of the agreed fees for 2025/26 is recorded in the minutes of the meeting held on 7<sup>th</sup> October 2024 (minute ref 93 iii).

## 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 does not apply.

## G. PAYROLL

Internal audit requirement

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

Audit findings

The Clerk is the only employee and has a signed contract of employment, based on the NALC template. I was able to verify that the salary is aligned to the NJC scale point range.

Payroll is processed by the clerk using the HMRC software. I reviewed the payroll summary for the previous two months and the payroll deductions appear correct. I was able to confirm HMRC and pensions payments are up to date and that the council is correctly not claiming the employment allowance for national insurance contributions.

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

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.

## H. ASSETS AND INVESTMENTS

Internal audit requirement

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

Audit findings

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.

The council has no long-term investments.

I confirmed the asset register total matches that included in box 9 (total fixed assets plus long term investments and assets) on the AGAR 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 borrowing.

## I. BANK AND CASH

Internal audit requirement

Periodic and year-end bank account reconciliations were properly carried out.

Audit findings

Financial Regulation 2.6 states 'At least [once in each quarter], and at each financial year end, a member other than the Chair {or a cheque signatory} shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign and date the reconciliations and the original bank statements (or similar document) as evidence of this. This activity, including any exceptions, shall be reported to and noted by the council {Finance Committee}.'

Bank reconciliations are completed quarterly and presented to the full council for review. I reviewed the March 2024 bank reconciliation for all accounts and was able to confirm the balances to the bank statements and found no errors.

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.

As the council's annual budget is below the €500,000 threshold, it is protected by the Financial Services Compensation Scheme (FSCS).

The council holds two accounts with Bank of Ireland and one with Unity Trust. At the end of the financial year, the Bank of Ireland balances and Unity Trust balances below the protection limit offered by the Financial Services Compensation Scheme (FSCS).

## 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), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.

Audit findings

The council, at its meeting to sign off the year-end accounts, must discuss Section 1 of the AGAR (Annual Governance Statement) and record this activity in the minutes of the meeting.

COUNCIL IS REMINDED THAT THIS MUST BE A SEPARATE AGENDA ITEM PRIOR TO THE SIGNING OF SECTION 2 OF THE AGAR (ACCOUNTING STATEMENT).

## 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 2023/24 year-end were not published on the councils website
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.	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.	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.
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

### Section 2 – Accounting Statements

AGAR box number		2023/24	2024/25	Internal Auditor notes
1	Balances brought forward	87,111	98,075	Agrees to 2023/24 carry forward (box 7)
2	Precept or rates and levies	51,500	52,500	Figure confirmed to central precept record
3	Total other receipts	30,339	24,743	Agrees to underlying accounting records
4	Staff costs	28,814	29,851	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	42,061	44,488	Agrees to underlying accounting records
7	Balances carried forward	98,075	100,978	Casts correctly and agrees to balance sheet
8	Total value of cash and short- term investments	98,075	100,978	Agrees to bank reconciliation for all accounts
9	Total fixed assets plus long- term investments and assets	2,060,300	2,062,180	Matches asset register total and changes from previous year have been traced
10	Total borrowings	0	0	Council has no borrowing
11a	Disclosure note re Trust Funds (including charitable)	No	No	No – the council is not a sole trustee

11b	Disclosure note re Trust Funds (including charitable)	N/A	N/A	N/A – the council is not a sole trustee / Yes – the council has met its responsibilities as a trustee / No – the council has not met its responsibilities as a trustee
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#### 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 2023/24 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

#### K. LIMITED ASSURANCE REVIEW

##### Internal audit requirement

IF the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2023/24 AGAR tick “not covered”)

#### Audit findings

The council did not certify itself exempt in 2023/24 due to exceeding the income and expenditure limits and this test does not apply.

#### L: PUBLICATION OF INFORMATION

##### Internal audit requirement

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

#### Audit findings

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.

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 AGAR are available for review on the council website for financial years 2019/20 to 2023/24 inclusive.

#### M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS

Internal audit requirement

The authority has demonstrated that during summer 2024 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.

Audit findings

Inspection – key dates	2023/24 Actual	2024/25 Proposed
Date AGAR signed by council	7 <sup>th</sup> May 2024	6 <sup>th</sup> May 2025
Date inspection notice issued	31 <sup>st</sup> May 2024	2 <sup>nd</sup> June 2025
Inspection period begins	3 <sup>rd</sup> June 2024	3 <sup>rd</sup> June 2025
Inspection period ends	12 July 2024	14 <sup>th</sup> July 2025
Correct length (30 working days)	Yes	Yes
Common period included (first 10 working days of July)	Yes	Yes

The requirements of this control objective were not met for 2023/24, and assertion 4 on the Annual Governance Statement must therefore be signed no by the council.

I was able to confirm that the proposed dates for 2024/25 meet the statutory requirements.

#### N: PUBLICATION REQUIREMENTS

Internal audit requirement

The authority has complied with the publication requirements for 2023/24. Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website / webpage.

Before 1 July 2024 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 2023/24, approved and signed, page 4
- Section 2 - Accounting Statements 2023/24, approved and signed, page 5

Not later than 30 September 2024 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

I was able to confirm that Section 1 (Annual Governance Statement) and Section 2 (Accounting Statement) were published on the council's website before 1 July 2024.

The Notice of the Period of Public Rights was not published on the website.

I was able to confirm that the Notice of Conclusion of Audit and External Auditor Report and Certificate were published on the council's website before 30 September 2024.

The council has therefore has not met the publication requirements for 2023/24.

## O. TRUSTEESHIP

Internal audit requirement

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

Audit findings

The council has no trusts, and 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 and final audits, 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 this 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), agreed to the cash book, 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. (If the authority had a limited assurance review in the previous year tick "not covered")			✓
L	The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation	✓		
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 (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).		✓	
N	The authority has complied with the publication requirements for previous year's AGAR.	✓		
O	Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

Should you have any queries please contact me directly [jackie@mulberrylas.co.uk](mailto:jackie@mulberrylas.co.uk) or 07515 861921

Yours sincerely

Jackie Scarff

Mulberry Local Authority Services Ltd

#### Final Internal Audit - Points Carried Forward

Audit Point	Interim Audit Findings	Council comments
Confirm by sample testing that councillors sign statutory office forms	I recommend that the acceptance of office form contains an additional part with 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"	
Confirm that the council meets regularly throughout the year	I recommend publishing agendas, minutes and meeting dates for all committees as well as writing and publishing their terms of reference.	
Check the draft minutes of the last meeting(s) are on the council's website	I recommend highlighting that minutes are draft until they have been approved at the next meeting.	

Public notice of rights of electors	I remind council that this notice must be published in order to sign section 4 of the annual governance statement as yes.	