RFO to the Council
Bicester Town Council
The Garth
Launton Road
Bicester
Oxfordshire
OX26 6P

12th May 2026

Dear Cllrs,

Re: Bicester Town Council
Internal Audit Report for Financial Year Ended 31 March 2026

Executive summary

Following completion of our final internal audit on 12th 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 full financial year.

Some assertions, as noted in this report, were tested at the interim internal audit completed on the 17th October 2025 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 work identified a number of process errors, as detailed in the interim points brought forward and not yet addressed, together with the points carried forward set out at the end of this report. We did not, however, observe any material weaknesses indicating a risk to public funds.

Both the interim and final internal audit reports will need to be submitted to the external auditor alongside the AGAR. The Council is also required to provide a written explanation for each "No" response in both the Annual Internal Audit Report and Section 1 (the Annual Governance Statement) of the AGAR. Each explanation must set out the action the Council is taking, or proposes to take, to address the matter.

We recognise that the Council is operating through a period of significant change, including the absence of key members of staff. The recommendations set out in this report are intended to be constructive and to support the continued development of what we consider to be the foundations of 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 Mark Mulberry of Mulberry Local Authority Services Ltd, who has over 30 years' experience in the financial sector with the last 14 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.

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INTRODUCTION

The audit was conducted on site with the council's Clerk and Responsible Financial Officer (RFO). The Clerk and 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 team and a review of the council website https://www.bicester.gov.uk/

UPDATES ON RECOMMENDATIONS FROM INTERIM AUDIT

Internal Audit – Summary of recommendations

Audit Point	Interim Audit Findings	Council comments
Appropriate accounting records have been properly kept throughout the financial year	In my opinion, there is room for improvement in the filing of the underlying documentation to make it clearer and more robust. I recommend Rialtus is asked how to drill into the VAT return summary totals to reach the underlying granular data.	Completed and on-going
This authority complied with its Finance Regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for	I recommend the council review the requirements of assertion 10 above and; 1. Conduct a data audit to comply with the requirements of the GDPR regulations. I have sign posted the RFO to a council site where this can be seen in practice. 2. Gain confirmation from the website provider that the website remains compliant 3. Pull together a new IT policy to encompass the requirements of assertion 10. NALC is issuing a new tool kit to cover this. 4. Ensure all councillors are offered training on assertion 10 and sign to accept they have seen and understood the new IT policy The terms of reference for each committee must be reviewed and republished along with standing orders before the 31st March 2026. Draft minutes are not routinely and consistently uploaded to the council website. For instance, the finance committee has no minutes uploaded for 04/12/24 or any meeting after 07/01/25 and full council has had no minutes published since 27/05/25. There is a legal requirement to make minutes available as soon as possible after the meeting. I recommend the standing orders are reviewed and republished. I recommend the council consider using the latest version of the financial regulations and try and adopt these before the 31st March 2026.	Incomplete – on-going Incomplete – ongoing Incomplete – ongoing Incomplete – ongoing

		Incomplete - ongoing
This authority assesses the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these	The risk policy and risk management arrangements which are published on the website are out of date and therefore must be reviewed and republished prior to the 31st March 2026 to be in accordance with adopted financial regulations as above. I also recommend a calendar of policy review dates is introduced to ensure all policies are appropriately reviewed.	Incomplete - ongoing Incomplete - ongoing
Asset and investments registers were complete and accurate and properly maintained.	The council may want to consider updating register to a bespoke package as an excel spreadsheet can become cumbersome as the number of line items increases. The council would also benefit from a fixed asset capitalisation policy.	Excel to be used for now Incomplete - ongoing
Periodic bank account reconciliations were properly carried out during the year.	I was able to confirm that the bank reconciliations have been verified in accordance with Financial Regulations; however, I must remind council that the physical bank statement must also be signed.	Completed
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.	The council has a dedicated transparency page; however, this is very much out of date and in respect of salaries – shows too much detail. I recommend this is amended accordance with the act.	Incomplete - ongoing
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.	The Notice of the Period of Public Rights and Section 1 (Annual Governance Statement) and Section 2 (Accounting Statement) was not published in time and the 10-day period during July was missed. I am not satisfied the requirements of this control objective were met for 2024/25, and assertion 4 on the Annual Governance Statement must be signed NO by the council.	completed
The authority complied with the publication requirements for prior year AGAR.	The interim certificate has not been reported to council yet. I recommend this is put on the next full council agenda. I note the council received and considered the previous internal auditor report at the finance committee meeting held on 5th June 2025 The signed AGAR has been removed from the website – this must be republished.	Incomplete - ongoing

A. BOOKS OF ACCOUNT

Internal audit requirement: Appropriate accounting records have been properly kept throughout the financial 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 financial 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.

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

The interim report included a recommendation that the Council review its risk management policy, and the underlying risk management arrangements, prior to 31 March 2026. This review has not been undertaken. In consequence, the Council is unable to demonstrate compliance with the requirements of Assertion 5, and I am therefore unable to provide a positive assurance against Section C of the Internal Audit Report

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CONCLUSION: I am not 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 produces regular, detailed budget monitoring reports drawn from the accounting software and supplemented in Excel. The layout is clear and accessible, enabling councillors to interrogate the figures and make informed decisions.

Councillors receive sufficient information to scrutinise performance and to question the accounts. No matters were identified to suggest that the budget had not been properly set or monitored during the year.

The council received 104.9% of income and had 115.3 of expenditure against budget. The budget had planned for a breakeven position. The council ended the year with a £221,564 deficit with transfers to and from reserves of £386,625 giving a net surplus position for general reserves of £165,064. The main driver of the additional spend is the play area which was funded from earmarked reserves.

Precept

The council set a precept of £1,872,967.62.00 in the meeting of 20th of January 2025, minute ref 49/2425. This equates to a band D equivalent of £139.36 (compared to the average in England of £92.22). 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 & precept were approved on the 12th January and precept of £1,947,886 was agreed (minute ref 55/2526). The minute approving the precept was light in detail. I recommend in future the wording be made more robust.

Minute reference: Approval of the 2026-27 Budget

The Council considered the draft revenue and capital budget for the financial year commencing 1 April 2026, as presented by the Responsible Financial Officer, together with the supporting schedules of estimated income, expenditure, earmarked reserves movements and projected general fund position at 31 March 2027.
Following consideration, it was proposed by Councillor [Name], seconded by Councillor [Name], and

***RESOLVED** that the Council approves the budget for the financial year 2026-27 as set out at Appendix [X], comprising:*
(a) total estimated income of £[xxx,xxx] (excluding precept); (b) total estimated expenditure of £[xxx,xxx]; (c) net budget requirement of £[xxx,xxx]; (d) planned movements to and from earmarked reserves as detailed in the supporting schedule; and (e) a projected general fund balance at 31 March 2027 of £[xxx,xxx], which the Council considers adequate having regard to its assessment of risk and the recommended range in the JPAG Practitioners' Guide.
For: [x] Against: [x] Abstained: [x]

Minute reference: Setting of the Precept for 2026-27

Further to the resolution above approving the 2026-27 budget, the Council considered the precept required to fund the net budget requirement, having regard to the tax base of [xxxx.xx] Band D equivalent properties notified by [Billing Authority] on [date].

It was proposed by Councillor [Name], seconded by Councillor [Name], and

***RESOLVED** that the Council:*
(a) sets its precept for the financial year 2026-27 at £[xxx,xxx]; (b) notes that this equates to a Band D charge of £[xx.xx], representing an [increase / decrease] of £[x.xx] ([x.xx]%) on the 2025-26 Band D charge of £[xx.xx]; and (c) instructs the Responsible Financial Officer to notify [Billing Authority] of the precept demand by the statutory deadline.
For: [x] Against: [x] Abstained: [x]

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 £3,544,512 in reserves.

- Capital/ringfenced EMR £nil
- CIL EMR £nil
- S.106 £nil
- Earmarked EMR £2,789,130
- General Reserves £755,382

I have reviewed the purpose of each earmarked reserve and am satisfied they relate to legitimate future projects of the council.

The general reserve balance is within the recommended threshold per the SAPPP Proper Practices Guidance.

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.

The precept has been correctly posted to Box 2 of the AGAR with all other income in box 3.

CONCLUSION: I am satisfied this control objective has been met.

F. PETTY CASH

Internal audit requirement: Cash payments were properly supported by receipts, all cash expenditure was approved and VAT appropriately accounted for.

Audit findings

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

Testing at the year end provided the balance to the coin analysis.

CONCLUSION: I am satisfied this control objective has been met.

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

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

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.

The fixed asset register continues to be maintained in Excel. At the date of the interim audit the register was in the course of being updated; however, it is evident that this exercise had not been completed by the date of the final audit. It is therefore not possible to confirm that, during the year under review, the asset and investments register was complete and properly maintained. The observations raised at the interim audit accordingly remain outstanding.

The Council holds fixed assets of significant value and number, which represent public money entrusted to its stewardship. The Council must be able to demonstrate that it maintains effective control over these assets at all times. Revised procedures must be implemented to ensure that the register is fully reconciled, kept current, and subject to documented review at appropriate intervals, so that proper financial control and asset management can be evidenced.

The council has no long-term investments.

The council has PWLB borrowing agreed to the statement.

CONCLUSION: I am not 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.

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.

I noted continued evidence of the bank reconciliations being signed in accordance with Finance Regulations.

The council has four bank accounts at the year-end all of which agreed to the statements and reconciliations.

Current Account	£4,462.81
Wages	£100
Carnival	£100
CCLA	£2,000,000
Deposit Account	£1,240,000
Santander Account	£270,023.67
Mayoral	£100.00
Barclaycard	(£4,325.66) - No this is not a bank account htis is a creditor account
Petty Cash	£242.25

Total	**£3,510,703.07**
Adjust for B'Card	**£4,325.66**
Adjusted bank & cash	**£3,515,028.73**

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

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

Section 1 – Annual Governance Statement

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

	Annual Governance Statement	*'Yes', means that this authority*	Suggested response based on evidence
1	We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	*prepared its accounting statements in accordance with the Accounts and Audit Regulations.*	**YES** – accounts follow latest Accounts and Audit Regulations and practitioners guide recommendations.
2	We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	*made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.*	**YES** – there is regular reporting of financial transactions and accounting summaries, offering the opportunity for scrutiny.
3	We have assured 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 202/25 year-end were not followed. See M below
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.*	**NO** the council has not managed this during the year under review and did not take action on the interim IA report.
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*	**YES** – the council has appointed an independent and competent internal auditor.

		meet the needs of this smaller authority.	
7	We took appropriate action on all matters raised in reports from internal and external audit.	*responded to matters brought to its attention by internal and external audit.*	**NO** – Not all 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
10	We have put in place arrangements for the effective IT and data management in accordance with proper practices during the year under review.	*has made suitable arrangements for its IT and data management and has complied with proper practices in doing so*	**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	4,171,341	3,766,076	Agrees to 2024/25 carry forward (box 7) -
2	Precept or rates and levies	1,800,238	1,872,968	Figure confirmed to central precept record -
3	Total other receipts	507,026	520,955	Agrees to underlying accounting records
4	Staff costs	840,096	952,743	Agrees to underlying accounting records. Includes only expenditure allowed as staff costs (see section G)
5	Loan interest/capital repayments	10,285	10,097	Agrees to PWLB remittance advices
6	All other payments	1,862,148	1,652,647	Agrees to underlying accounting records
7	Balances carried forward	3,766,076	3,544,512	Casts correctly and agrees to balance sheet
8	Total value of cash and short- term investments	3,712,933	3,510,703 +£4,326.66 = £3,515,029	Agrees to bank reconciliation for all accounts – move B'Card to creditors
9	Total fixed assets plus long- term investments and assets	3,801,959	TBC	Matches asset register total

10	Total borrowings	136,500	131,625	Agrees to PWLB statement

For local Councils Only		Yes	No	
11	Do the figures in the accounting statements above exclude any trust transactions	✓		Yes – trust transactions are excluded from the stated figures / No – trust transactions are included in the stated figures - typo in original AGAR

Audit findings
The year-end accounts have been correctly prepared on an income and expenditure basis, with the Box 7 to Box 8 reconciliation duly completed and supported by a robust audit trail.

The AGAR casts and cross-casts correctly, and the prior-year comparatives agree to the 2024/25 figures submitted to the external auditor and published on the council's website.

A variance analysis has been drafted and the IA has provided a template working that could be considered When providing the required detail for 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
Testing conducted at the interim audit and findings included in the interim audit report.

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

L: PUBLICATION OF INFORMATION

Internal audit requirement: The authority 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
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 unable 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 public inspection on the Council's website for each of the previous five financial years, as required by the Accounts and Audit Regulations 2015 and the Transparency Code for Smaller Authorities.

Recommendation: As reported at the interim audit, the 2024-25 AGAR must be published on the Council's website. This had not been completed by the date of the final audit and the omission remains outstanding. The Council should ensure that the 24/25 AGAR is published without further delay, and that arrangements are put in place to confirm publication of the full historical run covering the preceding five financial years.

Confirm that the council is compliant with the relevant transparency code
For councils with turnover above £25,000, observance of the Local Government Transparency Code 2015 is recommended best practice rather than a statutory requirement and accordingly falls outside the scope of internal audit verification.

The Council does maintain a dedicated transparency page on its website, on which some of the recommended information is published. The page is, however, materially out of date, which presents a poor professional impression.

Recommendation: As compliance with the Code is not mandatory at this turnover threshold, the Council should reach a formal decision as to whether it intends to adopt and maintain the Code, and either bring the published information up to date or remove the page.

I confirmed that the council has a Publication Scheme in place adopting the ICO's Model Publication Scheme, are published on the council's website. template-parish-councils-20211029.doc

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CONCLUSION: I am not satisfied this control objective has been met.

M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS

Internal audit requirement: In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations.

Audit findings

Inspection – Key Dates	2024/25 Actual	2025/26 Proposed
Date AGAR signed by council	7th July	22nd June 2026
Date inspection notice issued	8th August	23rd June 2026
Inspection period begins	11th August	24th June 2026
Inspection period ends	22nd September	4th August 2026
Correct length (30 working days)	Yes	Yes
Common period included (first 10 working days of July)	NO	Yes

The Notice of the Period of Public Rights and Section 1 (Annual Governance Statement) and Section 2 (Accounting Statement) was not published in time and the 10-day period during July was missed.

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

CONCLUSION: I am not satisfied this control 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.

I was able to confirm that the interim Notice of Conclusion of Audit and External Auditor Report and Certificate were published on the council's website before 30 September 2025.

As noted in test L above the 24/25 AGAR is not published too the council website.

CONCLUSION: I am not 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
Website accessibility (WCAG 2.2 AA and the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018)
I confirmed that the council operates a free-to-access website and that an Accessibility Statement is published, last reviewed on in November 2023, referencing the level of compliance with Web Content Accessibility

Guidelines 2.1 AA and identifying only partial compliance. This was mentioned at the interim audit as a point to resolve and remains outstanding

Recommendation: The Accessibility statement needs to be reviewed and updated as it is out of date. Note the latest guidelines are now WCAG 2.2 level AA.

Data protection — UK GDPR 2016 and the Data Protection Act 2018
I confirmed that the council is registered with the Information Commissioner's Office (registration number Z2184530, current to April 2027). I sighted the council's Privacy Notice published on the website, the Data Protection Policy and supporting Records Retention and Disposal Schedule. Arrangements for handling Subject Access Requests and Freedom of Information Requests are documented and published.

Email
I confirmed that Council operates a generic email account hosted on an authority-owned domain in the correct format, and that this account is in active use. I inspected a sample of incoming and outgoing correspondence routed through the generic account during the year. The use of an authority-owned domain provides a clear audit trail, supports compliance with data minimisation, integrity and confidentiality principles under UK GDPR, and ensures that authority business is segregated from any personal communications of the Clerk and members.

IT Policy (Practitioners' Guide para 1.54)
The council does not have a published IT policy. Again, this was mentioned at the interim audit.

CONCLUSION: I am not 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
Testing conducted at the interim audit and findings included in the interim audit report.

CONCLUSION: The council has no trusts this test does not apply

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Achievement of control assertions at final internal audit date

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

Ref	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 assessed 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	Cash payments were properly supported by receipts, all 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, supported by an adequate audit trail from underlying records.	✓		
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 the 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 mark@mulberrylas.co.uk

Yours sincerely

<u>Mark Mulberry</u>
Director, Mulberry Local Authority Services Ltd

Internal Audit – Summary of recommendations

Audit Point	Internal Audit Findings	Council comments
Interim points	Please attend to all the incomplete interim audit points above	
H: Fixed Assets	Update regsiter	
J: Accounts	Complete variance analysis for external auditor.	
D: Budgets	The minute approving the precept was light in detail. I recommend in future the wording be made more robust. I have provided a template above that council can consider.	