



Clerk to Dunsfold Parish Council
Unit 3, The Orchard,
Chiddingfold Road,
Dunsfold
GU8 4PB

21st April 2026

Dear Jenny

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

Executive summary

Following completion of our final internal audit on 21st April 2026 we are pleased to enclose our report for your review and presentation to the council. The audit was conducted in accordance with current professional standards and guidelines, employing a risk-based approach to our testing. While not all transactions were examined, our sample testing, where appropriate, covered the full financial year.

Some assertions, as noted in this report, were tested at the interim internal audit completed on the 7th November 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 testing did not identify any procedural errors requiring reporting to the external auditor at this time, nor did we observe any material weaknesses in internal controls that would pose a risk to public funds. In fact, the processes and procures together with own built in compensating controls are robust.

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

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

Regulation

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

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

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

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

Independence and competence

Your audit was conducted by 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.

Table of Contents

UPDATES ON RECOMMENDATIONS FROM INTERIM AUDIT	4
A. BOOKS OF ACCOUNT	5
B. FINANCE REGULATIONS, GOVERNANCE AND PAYMENTS	5
C. RISK MANAGEMENT AND INSURANCE.....	5
D. BUDGET, PRECEPT AND RESERVES.....	6
E. INCOME.....	7
F. PETTY CASH	8
G. PAYROLL.....	8
H. ASSETS AND INVESTMENTS	8
I. BANK AND CASH	9
J. YEAR END ACCOUNTS.....	10
K. LIMITED ASSURANCE REVIEW.....	12
L: PUBLICATION OF INFORMATION	13
M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS	14
N: PUBLICATION REQUIREMENTS	14
O. DIGITAL AND DATA COMPLIANCE	15
P. TRUSTEESHIP	15
Achievement of control assertions at final internal audit date	16
Internal Audit – Summary of recommendations.....	17

INTRODUCTION

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.dunsfoldparishcouncil.gov.uk

UPDATES ON RECOMMENDATIONS FROM INTERIM AUDIT

Internal Audit – Summary of recommendations

Audit Point	Interim Audit Findings	Council comments
IT and Data Compliance	I recommend a data audit is carried out to summarise the data points. I have sign posted The Clerk to a council web site where a data audit can be seen in practice.	On-going
General reserves	The current estimate of general reserves balance stands at approximately c.£16k, which will be extinguished as the year progresses. This is very low for a council of this size. There is a £7k earmarked reserve for "General" this should be amalgamated so there is one general reserve balance. This would give £23k of general reserves which will reduce to circa £10-£12k by the end of the year. The guidance would suggest a general reserve between £15k and £50k would be within range. I recommend council consider this position when setting the 2026/27 budget.	On-going
Fixed Asset Register	The council has a fixed asset register on Excel. Assets are correctly shown at net cost or proxy cost. Additions are clearly identifiable, and the underlying documentation is available. However, the register does not agree to the signed AGAR, which shows £584,957. The Clerk is going to investigate.	Completed
Risk	It is my opinion, that a single annual formal inspection for an aging playground is probably insufficient and increases the risk profile. I would also suggest that if more regular inspections are carried out by councilors that they undertake some training or accreditation in this area.	Completed- Training required
Minutes	Draft minutes are routinely and consistently uploaded to the council website and can be agreed to the signed minutes. However, I remind council that all pages MUST be initialled as a true record proof the meeting.	Completed
Effectiveness of controls review	I recommend the councilors receive a statement of internal controls that details the key controls the council has in place, ahead of signing the annual governance statement.	On-going clerk will draw up

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 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.

Audit findings

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

Budget

The Clerk/RFO produces regular detailed budget reports from the accounting software. The year-end budget report shows income/receipts reported as 81% of budget and expenditure/payments at 161%. 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.

However, it is clear that a number of cost lines were unbudgeted. It is understood that the council had been through a turbulent year and was in the process of recruiting a full-time clerk, so it is acknowledged why the budget was not as accurate as it could have been. The new clerk has implemented a number of changes and has already identified several budgetary improvements, which have filtered through to the 2026/27 budget and indeed the 2027/28 budget. I will review this in greater detail at the next interim audit.

Precept

Full council set a precept of £55,000 in the meeting on the 10th of December minute ref 19. With a tax base of 611.6, this equates to a band D equivalent of £89.93 (compared to the average in England of £92.92). I was able to confirm that the precept amount recorded in the accounts is correct, and equals the amount recorded in box 2 of the Accounting Statements.

The Clerk confirmed that the 2026/27 budget and precept of £78,000 were approved by the council at the meeting held on 9th December 2025 (minute ref 167).

Reserves

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

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

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

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

5.36 In all of this it is important that each authority adopt, as a general reserve policy, the level appropriate to their size, situation, risks and plan their budget so as to ensure that the adopted level is maintained. Consideration

of the minimum level of reserves requires not only consideration of level of income and expenditure but also the risks to that income.

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

At the year-end, the council held circa £115,602.86 in reserves, split between categories as below:

• Capital EMR	£Nil
• CIL EMR	£43,950.76
• S.106	£23,106.34
• Earmarked EMR	£35,402.60
• General Reserves	£13,143.16

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

The general reserve balance remains low compared to the recommended range as detailed in the Practitioner's Guide.

Recommendation: I recommend that the council review the earmarked reserves at budget setting, with a view to providing greater clarity on the scope, duration and purpose of each. The Capital Projects Reserve should be reclassified as earmarked, as the funds have not derived from a capital purpose and as such are not ringfenced solely for capital use. The General Fund currently held under earmarked reserves should be recategorised as general reserves.

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 GAR with all other income in box 3.

There is no evidence of netting off of income and expenditure.

The variance of negative &4,279.97 against the prior year is due in the main to less CIL receipts.

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

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

G. PAYROLL

Internal audit requirement: Salaries to employees and allowances to members were paid in accordance with 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.

I also verified the March entries to the payslip and verified the tax deduction. There were no errors or discrepancies.

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) of £595,547 on the Accounting Statements and was able to trace the changes to the previous year's total against the asset register.

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

The council has no long-term investments. The council has no borrowing through the PWLB.

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

I. BANK AND CASH

Internal audit requirement: Periodic bank account reconciliations were properly carried out during the year.

Audit findings

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

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.

The council has Five bank accounts at the year-end:

Lloyds	£1,343.62
NS&I Investment	£8,674.44
Lloyds Deposit	£519.47
Unity Trust Current	£19,083.87
Unity Trust Deposit	£89,772.55
Total	£119,393.95
Os Cheques	(£6,930.22) these are box 7 & 8 rec items
Os Payments	£3,139.13 these are box 7 & 8 rec items

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.	<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 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.	<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>	YES – the Clerk advises the council in respect of its legal powers.
4	We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>	YES – the requirements and timescales for 202/25 year-end were followed.
5	We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>	YES – the council has a risk management scheme and appropriate external insurance.

6	We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>	YES – the council has appointed an independent and competent internal auditor.
7	We took appropriate action on all matters raised in reports from internal and external audit.	<i>responded to matters brought to its attention by internal and external audit.</i>	YES – matters raised in internal and external audit reports have been addressed.
8	We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and. Where appropriate, have included them in the accounting statements.	<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>	YES – no matters were raised during the internal audit visits.
9	Trust funds including charitable – In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/asset(s), including financial reporting and, if required, independent examination or audit.	<i>has met all its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>	YES – the council has 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>	YES – the council has met the requirements of Governance Assertion 10

Section 2 – Accounting Statements

AGAR box number		2024/25	2025/26	Internal Auditor notes
1	Balances brought forward	140,237	195,659	Agrees to 2024/25 carry forward (box 7)
2	Precept or rates and levies	51,500	55,000	Figure confirmed to central precept record
3	Total other receipts	107,617	33,337	Agrees to underlying accounting records
4	Staff costs	17,062	29,487	Agrees to underlying accounting records. Includes only expenditure allowed as staff costs (see section G)
5	Loan interest/capital repayments	0	0	Agrees to PWLB remittance advices / Council has no borrowing
6	All other payments	86,633	138,906	Agrees to underlying accounting records

7	Balances carried forward	195,659	115,603	Casts correctly and agrees to balance sheet
8	Total value of cash and short-term investments	195,659	119,394	Agrees to bank reconciliation for all accounts
9	Total fixed assets plus long-term investments and assets	584,957	595,547	Matches asset register total and changes from previous year have been traced
10	Total borrowings	0	0	Agrees to PWLB statement/ Council has no borrowing

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

Audit findings

The year-end accounts have been correctly prepared on an income and expenditure with a requirement to complete the box 7 and 8 reconciliation., which correctly shows debtors and creditors. I have agreed these back to under lying documentation and or payment after date.

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 to explain boxes 3 & 6.

Recommendation: More definition and explain ion is required for boxes 3 & 4 as it is likely the external auditor will require more.

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

Confirm that the council is compliant with the relevant transparency code

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

The council has a dedicated finance page on the website where additional financial information is provided such as payments over £500.

The council also has a model publication scheme and can provide information regarding payments over £100 on request.

CONCLUSION: I am 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	10th June	5 th May 2026
Date inspection notice issued	11th June	2 nd June 2026
Inspection period begins	16th June	3rd June 2026
Inspection period ends	25th July	14th July 2026
Correct length (30 working days)	Yes	Yes
Common period included (first 10 working days of July)	Yes	Yes

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

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

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

N: PUBLICATION REQUIREMENTS

Internal audit requirement: The authority complied with the publication requirements for the prior year AGAR.

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website / webpage.

Before 1 July 2025 authorities must publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited
- Section 1 - Annual Governance Statement 2024/25, approved and signed, page 4
- Section 2 - Accounting Statements 2024/25, approved and signed, page 5

Not later than 30 September 2025 authorities must publish:

- Notice of conclusion of audit
- Section 3 - External Auditor Report and Certificate
- Sections 1 and 2 of AGAR including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

Audit findings

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

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

O. DIGITAL AND DATA COMPLIANCE

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

Audit findings

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

Website

I was able to confirm that the council website contains a Privacy Notice and a Website Accessibility Statement. The Website Accessibility Statement is dated 30 January 2023.

Recommendation: This needs to be updated to reference compliance with the latest web site accessibility guidelines. I recommend contacting the IT company to arrange this.

The council has an IT Policy in place which was last reviewed September 2025

Email management and GDPR

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

Recommendation: I recommend the council undertake a simple data audit of personal data held. I have sign posted the Clerk to a website where this can be seen in action.

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

P. TRUSTEESHIP

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

Audit findings

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

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

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



Mark Mulberry
Director, Mulberry Local Authority Services Ltd

Internal Audit – Summary of recommendations

Audit Point	Internal Audit Findings	Council comments
D. Reserves	I recommend that the council review the earmarked reserves at budget setting, with a view to providing greater clarity on the scope, duration and purpose of each. The Capital Projects Reserve should be reclassified as earmarked, as the funds have not derived from a capital purpose and as such are not ringfenced solely for capital use. The General Fund currently held under earmarked reserves should be recategorised as general reserves.	
J. AGAR	More definition and explanation is required for boxes 3 & 4 as it is likely the external auditor will require more.	
O. Digital and Data Compliance – Website	The Website Accessibility Statement (dated 30 January 2023) needs to be updated to reference compliance with the latest web site accessibility guidelines. I recommend contacting the IT company to arrange this.	
O. Digital and Data Compliance – GDPR	I recommend the council undertake a simple data audit of personal data held. I have sign posted the Clerk to a website where this can be seen in action.	