

Annual Internal Auditor's report 2025/26 St Helen Without Parish Council

Internal Auditor: Deborah O'Brien CiLCA PIALC

Smaller authorities are required by 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.

In accordance with guidelines contained in the 2025 Practitioners' Guide (JPAG) paragraphs 4.6-4.12, I am independent of the Parish Council and its members as well as being a CiLCA qualified Clerk with over 10 years' experience.

I have carried out a selective assessment of the Council's compliance with relevant procedures and controls, which I expected to be in operation during the year ended 31st March 2026, as outlined in the letter of engagement signed by the Council at its 23rd June 2025 meeting. The function of this internal audit is to improve efficiency and effectiveness of the Council's procedures, not to detect errors or fraud, as the management of the Council's internal controls is a function of the Council as a whole. (Practitioners' Guide, paragraphs 4.4-4.5).

This internal audit has been conducted electronically utilising requested documents provided by the Clerk, as well as those present on the website at [St Helen Without Parish Council](#) In addition, a Zoom meeting was held on 7th May 2026 to view hard copies of certain records.

This written report is laid out using the same format and headings as the AGAR Internal Audit report (page 3). Where I have answered NO to any of the AGAR assertions, the comments in bold in this report demonstrate the reasoning. I would recommend that the Practitioners' Guide is also referenced – the version for 2025/26 is available at [Practitioners' Guide 2025](#). A newer version for 2026/27 can also be downloaded.

Overall, the standard of management and governance processes is excellent, with some comments highlighted below for the attention of the Parish Council. I would like to thank the Parish Clerk/RFO, Wendy Bates for her cooperation and assistance in facilitating this internal audit. The Council adopted the General Power of Competence on 13th May 2024.

Internal Audit report assertions

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

- Prior year's cashbook balance has been correctly brought forward.
- Appropriate accounting records (Excel spreadsheet) have been kept throughout the year with monthly updates and quarterly bank reconciliations brought to council meetings, where they are signed off by a Councillor. I could not locate more than one minute referencing this (August 2025) – I would recommend minuting that this has been done quarterly.
- A random sample of financial transactions was examined in detail and found to be administered correctly. The cashbook contains some cross references to approvals/minutes. Expenditure was considered and approved at full council meetings. Minuting of payments and receipts is comprehensive with a payment schedule included within the minutes/agenda pack.
- Council minutes for the year are complete and have been signed. Each page is also initialled as directed by [Local Government Act 1972 sched 12 paragraph 41 \(1\) \(2\)](#)

B. **This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.**

- The council's Financial Regulations have been/are being followed.
- Financial Regulations are regularly reviewed and are based on the latest 2025 template, adopted May 2025.
- The Council has effective controls on the making of payments by BACS. Invoices are checked and processed by the Clerk. The Clerk/RFO sets up payments and two councillors authorise the release of funds.
- VAT reclaims are made in accordance with [VAT form 126 claims for organisations not registered for VAT](#) and received regularly.
- A council credit card is in place, and its usage is described in Financial Regulations.
- Currently 3 Councillors are authorised on the banking mandate. One non-mandated councillor is responsible for internal controls.

C. **This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.**

- A strategic risk assessment was adopted on the 19th May 2025 and is on the website.
- One Councillor is designated as responsible for reviewing Internal Controls. I would recommend that an Internal Control policy is also developed.
- Appropriate levels of insurance cover are in place, including Employers, liability and fidelity coverage. A review of assets was made in April 2025 prior

to the 2025/26 insurance renewal. The Council is in a 3-year long-term agreement.

- Standing Orders were last reviewed and the latest template adopted in May 2025 as a part of the year-end process.
- Formal risk assessments are recommended for all PC activities, including Play area, Recreation Ground, PC meetings, litter picks etc. A RoSPA check is conducted annually, plus a quarterly contractor inspection and monthly councillor inspection.
- A tree inspection was conducted in November 2025 and remedial works made.
- I recommend that the Council keeps on file copies of contractors' liability insurance and risk assessments.
- Electronic files are stored on a Cloud Drive and the PC laptop. A password/access file is kept in a secure cloud location.

D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

- The 2025-26 budget was reviewed in depth at the 9th December 2024 meeting, and the precept was then set at £53,160.
- The 2026-27 budget was reviewed in depth at the 8th December 2025 meeting, and the precept was then set at £55,237.
- Regular reviews of budget vs expenditure are undertaken.
- The Council adopted a Reserves Policy 22nd September 2025. Currently £46,781 is shown as ear-marked reserves, leaving approximately 11 months of general reserves.

E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.

- The precept received £53,160, matches the public record of precepted amounts.
- A £2,565 warm hub grant was also received.
- Interest received equalled £1,519.13.
- Two VAT reclaim amounts were received totalling £9,636.17.
- The Council is not responsible for hall hire, allotments or burial grounds.

F. Cash payments were properly supported by receipts, all cash expenditure was approved and VAT appropriately accounted for.

- No cash received or petty cash held – not applicable. Financial regulations contain provision for this should it occur.

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.

- The Council had one employee (Clerk/RFO) with a contract.
- The Parish Council is registered with HMRC and uses a payroll provider.
- The National Pay Award was noted in the September 2025 meeting and backpay made.
- HMRC/PAYE/NI payments are being made, with the outstanding 4th quarter payment to be made in April 2026. (HMRC online statement viewed)
- The Employers' Allowance is correctly not being used.
- Pensions Regulator – The council re-declared compliance in July 2024. A pension is being administered.
- A working from home allowance is paid, and this is correctly not included in staff costs.
- Councillor allowances are not paid, although a chairman's expense allowance and policy have been agreed.

H. Asset and investment registers were complete and accurately and properly maintained.

- The asset register has been reviewed and updated as of 20th March 2026. An insurance valuation column is included.
- I would recommend that new assets are added as received, at cost value.
- The asset register matches the figure stated in box 9 of section 2 of the AGAR.
- The council does not have any loans and there are no long-term fixed asset investments.

I. Periodic bank account reconciliations were properly carried out during the year.

- These are performed quarterly and presented to the full Council where they are reviewed and signed off. I recommend minuting these.
- Year-end bank statements were checked and aligned with the year-end bank reconciliation.

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.

- The council has prepared its accounts on receipts and payments basis.
- The Accounting Statements (AGAR) prepared by the RFO agree to the cashbook.
- Line 2 agrees to the value of the precept raised and received and National database.
- Line 4 only includes staff costs as defined in Practitioners' Guide.

- Line 8 agrees to the year-end bank reconciliation and supporting bank statements.
- K. If the authority certified itself as exempt from a limited assurance review in 2024/25, it met the exemption criteria and correctly declared itself exempt.**
- Not applicable – the Council exceeded the £25,000 threshold.
- 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.**
- The authority maintains a .gov.uk website which is regularly updated.
 - In general, all required information is published. The council exceeds the £25,000 threshold and is not subject to the [Transparency Code for Smaller Authorities 2015](#), although I would recommend following the requirements as best practice.
 - A comprehensive list of policies and procedures is available on the website, including the ICO's model publication scheme. [Policies and Documents – St Helen Without Parish Council](#)
- M. In the year covered by the AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (*during the 2025-26 AGAR period, were public rights in relation to the 2024-25 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set?*)**
- The Parish Council published the Notice for the Exercise of Public Rights on its website. The announcement date was 2nd June 2025 and the period for electors' rights was 3rd June – 14th July 2025, which correctly allowed for 30 days' inspection. The dates were also minuted at the May 2025 meeting.
- N. The authority has complied with the publication requirements for 2024/25 AGAR (*see AGAR page 1 Guidance Notes*)**
- The Council has complied with all requirements.
- O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.**
- E-mail management – the parish council has a dedicated generic email account hosted on the PC's domain.
 - All websites must meet the [Web Content Accessibility Guidelines 2.2 AA and the Public Sector Bodies \(Websites and Mobile Applications\) \(No. 2\) Accessibility Regulations 2018](#) (where applicable). The website accessibility statement does not indicate when it was last reviewed and the website tested. Even if the website is outsourced, it is the responsibility of the Parish Council to be compliant with regulations. Accessibility statement

requirements are that it is reviewed when there are major changes to legislation and at least annually. [Make your website or app accessible and publish an accessibility statement - GOV.UK](#)

- The Parish Council follows both the [General Data Protection Regulation \(GDPR\) 2016](#) and the [Data Protection Act \(DPA\) 2018](#). Appropriate policies are available on the website. [Policies and Documents – St Helen Without Parish Council](#)
- It is recommended that a Data Audit is conducted.
- The Council is registered with the [Information Commissioner's Office \(ICO\)](#) as a Data Processor as required. The Information Available document is also available on the website.
- The Parish Council adopted an IT policy on 23rd June 2025.

P. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.

- The Council is not a trustee – not applicable.

Other matters not covered above:

- I would recommend that the Council reviews the 2026 edition of Practitioners' Guide, as it contains new requirements and guidance which will affect the 2026/27 audit. A summary of the changes and the guide itself can be viewed at [Practitioners' Guide 2026](#).
- There are older versions (2024) of both Standing Orders and Financial Regulations on the website, in addition to the current 2025 versions. I would recommend removing them to avoid confusion.
- It is important to minute that Declarations of Acceptance of Office have been signed, such as for co-options (May 2025).
- This is now the 4th year that I have conducted the Internal Audit for St Helen Without PC. Therefore, I would recommend that you review your Internal Audit provision and obtain quotes from 3 providers in the same way that you would every 3 years for any other contract.

This report should be submitted along with the AGAR Annual Internal Audit Report 2025/26 to the full council for review and consideration before completing the Annual Governance statement.

Deborah O'Brien CiLCA PIALC

7th May 2026