

The Councillors
Great Shefford Parish Council
Great Shefford House
Church Street
Great Shefford
Hungerford RG17 7DZ

29th May 2025

Dear Ladies and Gentlemen

Internal audit for the year ended 31st March 2025

Local councils are required to have an internal audit of their accounting records and their system of internal control by Regulation 5 of the Accounts and Audit Regulations 2015. During my work in May 2025, I reviewed the financial systems and controls for the year, together with the financial statements and annual return.

My internal audit testing was based on the guidelines included in section 4 of the 2024 JPAG Governance & Accountability Practitioners Guide. A series of tests using the financial records, vouchers, minutes, previous audit reports etc were conducted to establish the effectiveness of the internal controls.

Overall conclusion

After a period of approximately eighteen months without a clerk, a locum clerk was appointed during the year and this appointment has since been made permanent.

The Councillors have done well to keep the Council functioning during such a long vacancy but it's clear that the new Clerk has already started to improve control systems and procedures. One example of this is the introduction of a greatsheffordparish.gov.uk domain with an associated clerk's email address. This will assist in the answering of the new governance assertion concerning digital and data compliance which will be included on next year's AGAR. Appendix 3 gives more information about this new assertion although this is purely for information this year and does not affect this year's audit.

My detailed work is included in Appendix 1. I have signed the internal audit report on the AGAR with all applicable objectives having been met apart from the exception as follows:

- Objective C Risk management

Appendix 2 lists the information that is required to be displayed on the website in accordance with Transparency Code requirements.

Yours faithfully



Claire Connell

Appendix 1 - Detailed report (structured around the questions in the Internal Audit Report on the AGAR)

<u>Annual Return Section</u>	<u>Assertion met?</u>	<u>Comments</u>
A. Appropriate accounting records have been properly kept throughout the financial year.	Yes	An Excel spreadsheet is used, kept up-to-date and is accurate.
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	Yes	The cashbook was reviewed for the year. A sample of payment invoices was checked to ensure that they had been approved, correctly paid and VAT treated correctly.
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	No	Council minutes were scrutinised The insurance cover is a council specific policy obtained from Aviva via a broker which specialises in Council insurance. Financial Regulations and Standing Orders were updated in January 2025 using the new model template. The risk management policy has not been reviewed during the year (and appears to have last been formally reviewed in June 2021). On this basis I do not believe that the authority can evidence the assessment of significant risks. <u>The risk management policy should be reviewed on an annual basis.</u> My correspondence with Mel however does indicate that at an operational level, risks have been managed.
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Yes	The budget and precept were approved in January 2025. Financial reports were periodically made.
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	Yes	The precept was agreed to Council minutes and to the spreadsheet records compiled by Central Government. The VAT reclaim for the year is made annually.
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	N/A	No petty cash is maintained by Great Shefford Parish Council.
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.	N/a	There have been no employees during the year and no allowances are paid to Councillors.

H. Asset and investments registers were complete and accurate and properly maintained.	Yes	The fixed assets register was reviewed. This had been updated during the year and lists all the assets held by the Council but generally doesn't not include the purchase date of assets.
I. Periodic bank account reconciliations were properly carried out during the year	Yes	The year end bank reconciliation was checked and agreed to the bank statements. Periodic bank reconciliations were carried out during the year. <u>PG2024 paragraph 1.10 states that bank reconciliations should be prepared on a regular basis and reviewed by members of the Council.</u> I understand that more rigorous financial reporting will be introduced in 2025-26, including the signing of bank reconciliations 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.	Yes	The annual return and supporting documentation for the annual return were reviewed and agreed. The annual return is prepared on a receipts and payments basis.
K. 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.	Yes	The parish council correctly certified itself as exempt in 2023/24.
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	Yes	The financial information required under the Transparency Code was published for 2023-24. Please see Appendix 2 for a list of information that needs to be published.
M. In the year covered by the AGAR, the authority correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations.	Yes	The Council provided for the exercise of public rights and this was correctly advertised and included the first 10 working days of July as required.
N. The authority has complied with the publication requirements for the 2022/23 AGAR (see AGAR Page 1 Guidance Notes).	Yes	The Council published all of the documents as required by page 1 of the AGAR.
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	N/A	The Council is not a trustee for any charities or trusts.

Appendix 2 – Transparency Code Documentation

When the Council has income and expenditure less than £25,000, it is required to comply with publishing requirements of the Transparency Code. These documents should be published by 1st July following the end of each financial year.

Other items are required to be published by legislation such as the Accounts and Audit Regulations and CIL legislation.

Item	Comments
All items of expenditure > £100	
End of year accounts	This should include • Accounting statement from the AGAR • The bank reconciliation as at the year end • An explanation of variances
Annual governance statement	
Internal audit report	
List of councillor responsibilities	The website shows a list of all councillors and identifies the Chairman and Vice-Chairman
Details of public land & building assets	The council doesn't own any land or building assets so a simple statement to that effect would suffice.
Minutes, agendas & meeting papers of formal meetings	Minutes and agendas are available on the website. Meeting papers should also be published
AGARs for the past five years	
CIL reports	The annual CIL report which is sent to WBC should be displayed on the council website.

Appendix 3 – New Assertion on the 2025-26 Annual Governance Statement

When the Council completes the Annual Governance Statement for the year ended 31st March 2026, it will need to respond to a new assertion regarding digital and data compliance.

The Practitioners' Guide issued in March 2025 states that to warrant a positive response to this assertion, the authority needs to have taken the following actions:

1.47 Email management - every authority must have a generic email account hosted on an authority owned domain, for example clerk@abcparishcouncil.gov.uk or clerk@abcparishcouncil.org.uk rather than abcparishclerk@gmail.com or abcparishclerk@outlook.com.

1.48 All smaller authorities (excluding parish meetings) must meet legal requirements for all existing websites regardless of what domain is being used.

1.49 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.

1.50 All websites must include published documentation as specified in the Freedom of Information Act 2000 and the Transparency code for smaller authorities (where applicable).

1.51 All smaller authorities, including parish meetings, must follow both the General Data Protection Regulation (GDPR) 2016 and the Data Protection Act (DPA) 2018.

1.52 All smaller authorities, including parish meetings, must process personal data with care and in line with the principles of data protection.

1.53 The DPA 2018 supplements the GDPR and classifies a parish council as both a Data Controller and a Data Processor.

1.54 All smaller authorities (excluding parish meetings) must also have an IT policy. This explains how everyone - clerks, members and other staff - should conduct authority business in a secure and legal way when using IT equipment and software. This relates to the use of authority-owned and personal equipment.