

Claire Connell MA, ACA, CTA

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The Councillors
Great Shefford Parish Council
Great Shefford Village Hall
Station Road
Great Shefford
Hungerford RG17 7DR

28th May 2026

Dear Ladies and Gentlemen

Internal audit for the year ended 31st March 2026

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 2026, 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 2025 Practitioners Guide, with reference to the 2026 edition regarding Assertion 10. A series of tests using the financial records, vouchers, minutes, previous audit reports etc were conducted to establish the effectiveness of the internal controls.

2025 AGAR

The Council took the necessary steps once it became apparent that it had incorrectly claimed exemption in 2025 and the Public Interest Report was correctly reported to Council and displayed on the website.

New audit assertion regarding data and digital compliance

The Council commissioned a new website in the year and has the necessary email address and IT Policy. I understand that a full review of GDPR will be undertaken in 2025-26.

Overall conclusion

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 exceptions as follows:

- Objective K Declaration of exemption from external audit
- Objective M Exercise of public rights

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.	Yes	Council minutes were scrutinised The insurance cover is a council specific policy obtained from Ecclesiastical via Clear Councils broker. Financial Regulations and Standing Orders were updated in January 2025 using the new model template and re-adopted in May 2025. The risk management strategy (including a risk register and assessment) was thoroughly updated and adopted in September 2025. The Council signed up to a new play equipment compliance programme to complement the existing safety procedures already in place.
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 2026. 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 usually made each year. The claim for 2024/25 wasn't made during 2025/26 but will be made in the current financial year.
F. Cash payments were properly supported by receipts, all 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.	Yes	The salary paid agrees to the rate shown in the minutes. Deductions are correctly made and paid over to HMRC.

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. It doesn't hold the purchase date of assets purchased in previous years but new assets have the purchase date recorded.
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 and the Chairman reviews the financial report and corresponding bank statements at each meeting.
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 and it agrees to the cash book. The comparative figures for expenditure and cash have been restated by the Clerk.
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.	No	The parish council incorrectly certified itself as exempt in 2024/25. When this became apparent, the clerk notified external audit and a Public Interest Report was issued. The PIR was published on the website as required and discussed at a Council meeting within 30 days. No further action is therefore required.
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 Council is currently above the threshold for complying with the Transparency Code for smaller authorities although continuing to publish this information is good practice. The Accounts and Audit Regulations 2015 require the AGARs to be displayed on the Council website for at least five years.
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.	No	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. However, the period ended on Saturday 9 th August and weekends are specifically excluded for the purposes of calculating the 30 workings days required for the exercise. The exercise was therefore only carried out for 29 days. This is clearly an administrative error.

N. The authority has complied with the publication requirements for the 2024/25 AGAR (see AGAR Page 1 Guidance Notes).	Yes	The Council published all of the documents as required by page 1 of the AGAR.
O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.	Yes	The Council commissioned a new website during the year which complies with the accessibility requirements. The Council has an IT policy in place and the website contains an accessibility statement and a privacy notice. The Clerk is aware of their responsibilities under GDPR. I understand that GDPR documentation and compliance will be thoroughly reviewed in 2026/27.
P. (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.

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Great Shefford Parish Council

Supporting information for assertions K and M on the Internal Audit Report for the year ended 31st March 2026

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.

I have stated that internal control objective K has not been met on the internal audit report due to the fact that the Council incorrectly declared itself exempt in the summer of 2025.

When this became apparent, the clerk notified external audit and a Public Interest Report was issued. The PIR was published on the website as required and discussed at a Council meeting within 30 days of receipt.

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

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.

However, the period ended on Saturday 9th August and thus the exercise was only carried out for 29 days instead of 30.



Claire Connell

Date: 28th May 2026