How to contact us

Write to: Manor House, Church Street,
Littlehampton, West Sussex, BN17 5EW
Email: ltc@littlehampton-tc.gov.uk
Call: 01903 732063
Find us online: www.littlehampton-tc.gov.uk
Town Clerk – Laura Chrysostomou

29 June 2026

You are hereby summoned to attend a meeting of the:

Governance and Audit Committee

Venue: The New Millennium Chamber, The Manor House, Church Street, Littlehampton BN17 5EW

Date: Wednesday 8 July 2026

Time: 6.30 pm

Committee:
Councillor Tilbrook – Chair
Councillor Woodman – Vice Chair
Councillor Lee
Councillor May
Councillor Northeast
Councillor Daws

Laura Chrysostomou, Town Clerk
Agenda 2025 to 2026

1. Evacuation Procedures

2. Filming of Council Meetings, Use of Social Media and Mobile Phones.

During this meeting, the public are allowed to film the Committee and officers only from the front of the public gallery, providing it does not disrupt the meeting. Any items in the Exempt Part of an agenda cannot be filmed. If another member of the public objects to being recorded, the person or persons filming must stop doing so until that member of the public has finished speaking. The use of social media is permitted but all members of the public are requested to switch their mobile devices to silent for the duration of the meeting.

3. Apologies

4. Declaration of Interest

Members and Officers are reminded to make any declaration of disclosable pecuniary or personal and/or prejudicial interests that they may have in relation to items on this Agenda.

You should declare your interest by stating:

a. the item you have the interest in

b. whether it is a disclosable pecuniary interest, whereupon you will be taking no part in the discussions on that matter, or

c. i. Whether it is a personal interest and the nature of the interest

   ii. Whether it is also a prejudicial interest

   iii. If it is a prejudicial interest, whether you will be exercising your right to speak under Public Forum.

It is recorded in the register of interests that:

- Councillors May, Northeast and Woodman are Members of Arun District Council.

These interests only need to be declared at the meeting if there is an agenda item to which they relate.

5. Minutes

To confirm the Minutes of the meeting held on 4 February 2026, circulated herewith, pages 3 to 6. In accordance with the Town Council's Standing Orders, Section 9a, Members are reminded that no discussion of the draft minutes of a preceding meeting shall take place except in relation to their accuracy.

6. Chair's Report and Urgent Items

7. Public Forum

Members of the public are invited to ask questions or raise issues which are relevant and are the concern of this committee. A period of 15 minutes is allocated for this purpose. If possible, notice of intention to address the Committee should be given to the Clerk by noon of the day of the meeting.

8. Officer's Report

8.1 Internal Audit Report 2025 to 2026

Attached, pages 7 to 28.

9. Exempt Business

It is **Recommended** that:

The public and accredited representatives of the press be excluded from the Meeting under Section 100 Local Government Act 1972 due to the confidential nature of the business to be conducted.

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Town Clerk – Laura Chrysostomou

Minutes of the Ordinary Meeting of the Governance and Audit Committee held in The New Millennium Chamber, Manor House, Church Street, Littlehampton BN17 5EW on Wednesday 4 February 2026 at 18.30pm.

Present:
Councillor Woodman – Chair
Councillor Tilbrook – Vice Chair
Councillor May
Councillor Daws
Councillor Tandy
In attendance:
Melanie Nicholls – Head of Corporate Services and Governance

2025 to 2026

10. Evacuation Procedures

The evacuation procedures were noted.

11. Filming of Council Meetings, Use of Social Media, and Mobile Phones.

The procedures were noted.

12. Apologies

There were apologies from Councillor Lee, Councillor Tandy attended as substitute.

13. Declarations of Interest

Members and Officers were reminded to make any declarations of disclosable pecuniary or personal and/or prejudicial interests that they might have in relation to items on the agenda. The standing declarations were noted and Councillor Tandy declared an interest across the agenda as a member of Arun District Council.

14. Minutes

The Minutes of the meeting held on 8 July 2025, previously circulated, were confirmed as a true record and signed by the Chair.

15. Chair's Report and Urgent Items

There were none.

16. Public Forum

There were no members of the public present, and no written representations made.

17. Officer's Reports

17.1. Annual Review of Corporate Risk Registers

17.1.1. Members had before them a report, previously circulated, which set out to review the Town Council's risk registers and supporting documents. Whilst no changes were proposed to the Corporate Risk Management Strategy and Procedures, they were reviewed together with the Corporate and Business Plan Risk Registers.

17.1.2. Before recommendation to Full Council, The Committee proceeded to review both risk registers and raised the following points:

- Wording for 'failure to deliver the events planned' could be amended for clarity (seen on page 35 of the agenda). The wording of the Corporate Risk Register will be updated to the following: "The Adverse Weather Policy ensures that, where dangerous weather conditions threaten the viability of an event, alternative locations and dates are identified and secured wherever possible."

- The addition of risk of unauthorised incursion on Town Council sites. Acknowledging steps that had been taken to mitigate this risk, the Corporate Risk Register be updated to incorporate control measures such as boundary and security measures being implemented and reviewed annually to ensure they meet the required security of the area.

It was resolved that:

1. The Council's Corporate Risk Management Strategy and Procedures be noted.

2. Following the amendments detailed above, the Corporate and Business Plan Risk Registers be endorsed and recommended to Full Council.

3. The contents of the report be otherwise noted.

17.2. Annual Review of Feedback

The Committee received and noted a report, previously circulated, which contained the Register of Compliments and Complaints for 2025. Members were happy to note the number of compliments being higher in comparison to the number of complaints, with the latter being addressed appropriately.

It was resolved that:

The contents of the report be noted.

17.3. Annual Review of Internal Controls

Members received a report, previously circulated, which set out the Town Council's Internal Controls for consideration and approval. Following a review by Officers, the current controls were considered effective with a slight change proposed; Banking cash becoming monthly going forward, rather than fortnightly. Members considered the suggested update and content of the controls to be robust and sensible.

It was resolved that:

1. The Council's updated Internal Control System be noted.
2. Council be recommended that statements 2, 5, 6 and 7 of the Annual Governance Statement have been complied with.

17.4. Business Plan Progress Report

Members had before them a report, previously circulated, which provided an update on progress made towards achieving the Business Plan goals as they related to the committee's work. Discussions covered the review of standing orders, to which the Head of Corporate Services and Governance explained they would be reviewed by the committee before recommendation to Council for adoption.

It was resolved that:

The report be noted.

17.5. External Auditor Certificate and Report 2024 to 2025

Members received a report, previously circulated, which contained the External Auditor Certificate and Report for the Town Council's 2024 to 2025 accounts.

It was resolved that:

The External Auditor Certificate and Report for the 2024 to 2025 accounts be noted.

17.6. Internal Audit Report 2025 to 2026

Members had before them a report, previously circulated, regarding the Internal Audit for the Town Council for the accounting period 2025 to 2026. The Committee proceeded to review the report in more detail, particularly referring to the work that consolidated earmarked reserves during the December budget cycle.

It was resolved that:

The Internal Auditor’s report for the 2025 to 2026 accounts and progress on implementing the recommendations be noted.

18. Exempt Business

There was none.

The meeting was closed at 18:47 pm.

Chair

Littlehampton Town Council

Non-Confidential

Committee: Governance and Audit

Date: 8 July 2026

Report by: The Town Clerk

Subject: Internal Audit Report 2025 to 2026

1. Summary

1.1. Attached, as Appendix 1, is the final Internal Audit Report for Littlehampton Town Council for the financial year 2025 to 2026. The audit was conducted by the Town Council's independent Internal Auditor, Andy Beams from Mulberry Local Authority Services Ltd

1.2. One of the functions of Internal Audit is to give assurance to Members of the Council that the systems, financial and otherwise, are following best practice, operating correctly, compliant with all laws and regulations and can be relied upon.

1.3. All areas were found to be in order and no significant recommendations were made. The report highlights comments or recommendations from the internal audit and actions being taken or proposed.

2. Recommendations

The Committee is Recommended to:

Note the Internal Audit report for the year ending 31 March 2026 and the actions proposed.

3. Background

3.1. The Internal Auditor has made two visits in the year. The attached report covers those visits.

3.2. The areas that were audited were:

- Books of Account
- Financial Regulations, Governance and Payments
- Risk Management and Insurance
- Budget preparation and monitoring, Precept and Reserves
- Testing of Income and expenditure including Petty Cash
- Payroll
- Assets and Investments
- Annual Accounts and Annual Return
- Publication of Information
- Digital and Data Compliance

3.3 Financial Regulations

3.3.1. The council has a privacy notice, website accessibility statement, FOI publication scheme and policies covering IT published on its website. The internal auditor recommended adopting the template IT Policy from the National Association of Local Councils in addition to ensure it meets the requirements of Governance Assertion 10. This has been actioned.

3.3.2 The auditor suggested with regards to making the website clear that minutes are draft until approved at the next meeting to avoid updating unapproved versions. This has been actioned.

3.4 Risk Management and Insurance

3.4.1 The auditor noted that the risk register includes the requirement to record in the minutes of meetings the legal powers used to authorise expenditure. This being impractical to apply to all minutes, due to the volume of transactions inherent to the running of a large town council, the risk assessment will be amended. The Council will continue to report on financial implications within reports.

3.4.2 The auditor recommended that the Council considers increasing the Fidelity Guarantee level to ensure that it covers the maximum balance held at any point during the year. The Head of Finance and Service Delivery will action this with the Council’s insurer.

3.5 Payroll

3.5.1 The auditor recommended that the publication of allowances paid by the Council to councillors is changed to specify amounts paid to individuals rather than an annual figure. The format has been amended for 2025 to 2026 for publication on the website and will be used going forward.

3.6 Assets & Investments

3.6.1 The auditor explained that the asset register included the K2 building which is a long-term lease and as it is not an asset owned by the council it should not be included within the assets recorded on the annual return. The fixed asset register has been amended to remove this and the previous year’s figure on the Annual Governance and Accounting Return has been restated.

3.7 Digital and Data Compliance

3.7.1 The Website Accessibility Statement references partial compliance with the Web Content Accessibility Guidelines (WCAG) 2.1 AA and should be updated to refer to the current WCAG 2.2 AA standard. The Head of Community Engagement and Development will oversee this work.

3.7.2 A data audit should be completed during 2026 to 2027 as it may be included in future audit testing for Governance Assertion 10. The Head of Corporate Services and Governance will oversee this work.

4. Conclusion and Opinion

4.1. The inherent risk in the system is low.

4.2. The testing did not find any material weaknesses in internal controls that would pose a risk to public funds. The processes and procedures together with internal compensating controls are robust, strictly followed and in many respects a model of good practice.

4.3. Overall, the systems and procedures currently in place are appropriate and effective, and the internal auditor is of the opinion the Council operates within a well-managed and robust governance framework.

Laura Chrysostomou
Town Clerk

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Mrs L Chrysostomou
Littlehampton Town Council
The Manor House
Church Street
Littlehampton
West Sussex
BN17 5EW

2 June 2026

Dear Laura

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

Executive summary

Following completion of our final internal audit on 2 June 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 transaction were examined, our sample testing, where appropriate, covered the financial year to date.

Some assertions, as noted in this report, were tested at the interim internal audit completed during the financial year 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 procedures together with own built in compensating controls are robust, strictly followed and in many respects a model of good practice.

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.

Company Number 15566682. Company Directors: Mark L Mulberry BA (Hons) FCCA CTA, Nicky Mulberry, Andy Beams CiLCA, Anna Beams CiLCA

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 Andy Beams of Mulberry Local Authority Services Ltd, who has over 36 years' experience in the financial sector with the last 16 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. The information advised in advance of the visit had been prepared and was available for review and overall, I have the impression that accounting records are neatly maintained and easily accessible.

Other information was reviewed through discussion with the officers and a review of the council website www.littlehampton-tc.gov.uk

UPDATES ON RECOMMENDATIONS FROM INTERIM AUDIT

Internal Audit – Summary of recommendations

Audit Point	Interim Audit Findings	Council comments
B. FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS	The council has a Privacy Notice, Website Accessibility Statement, FOI Publication Scheme and polices covering IT published on its website, although I recommend adopting the template IT Policy in addition to ensure it meets the requirements of Governance Assertion 10. The council may wish to consider publishing a statement on the council website that 'All minutes are in draft format until approved at the next meeting' to avoid the need to update unapproved versions with the approved version.	Covered in Section O of this report. I note the council website now includes a statement *'Please note that all minutes are unapproved until the subsequent meeting, at which they are approved.'*
C. RISK MANAGEMENT AND INSURANCE	I reviewed the financial risk section of the LCRS risk assessment and note that includes the requirement to record in the minutes of meetings the legal powers used to authorise expenditure, although through discussion with the Town Clerk, this does not currently happen. The council should consider either ensuring this activity does take place in future, or amending the risk assessment if it determines this is impractical. At the date of the interim internal audit, total balances held exceed £3.3 million and I recommend that the council considers increasing the Fidelity Guarantee level to ensure that it covers the maximum balance held at any point during the year.	To review at next interim audit. To review at next interim audit.

G. PAYROLL	The council publishes an annual figure for the total of allowances paid by the council but does not currently specify amounts to individuals. This is contrary to The Local Authorities (Members' Allowances) (England) Regulations 2003 15(3) which states 'As soon as reasonably practicable after the end of a year to which the scheme relates, an authority shall make arrangements for the publication within the authority's area of the total sum paid by it in the year under the scheme to each recipient in respect' and I recommend publishing the breakdown in future years to comply with this requirement.	To review at next interim audit.
H. ASSETS AND INVESTMENTS	The asset register includes the K2 building which is on a long-term 50-year lease. As this is not an asset owned by the council, this should not be included within the assets recorded on the AGAR.	The asset register has been amended to remove this, and the previous year's figure on the AGAR has been restated.

A. BOOKS OF ACCOUNT

Internal audit requirement

Appropriate accounting records have been kept properly during the 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 Finance 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. Updates on the recommendations from the interim audit are contained in the table on page 4 of this 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. Updates on the recommendations from the interim audit are contained in the table on page 4 of this 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 Town 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.

Budget
Regular detailed budget reports are produced from the accounting software. There is no evidence to suggest that the budget has not been accurately set and carefully monitored throughout the year.

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.

Precept
The council set a precept of £1,621,543 for 2025/26. With a tax base of 10,563.0, this equates to a band D equivalent of £153.51 (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.

I confirmed from the minutes that the 2026/27 budget and precept were approved by the council at the meeting held on 22 January 2026 (minute ref 99.2).

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 £2,828,640 in reserves, split between categories as below:

- Capital Receipts EMR £201,872
- CIL EMR £8,729
- Other EMR £1,609,944
- General Reserves £1,008,095

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

The general reserve balance is which is within the recommended range as detailed in the Practitioner's Guide.

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.

CONCLUSION
I am satisfied this control objective has been met.

F. 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

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 the 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. Updates on the recommendations from the interim audit are contained in the table on page 4 of this 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. Updates on the recommendations from the interim audit are contained in the table on page 4 of this report.

I confirmed the asset register total matches that included in box 9 (total fixed assets plus long term investments and assets) on the Accounting Statements. The previous year figure is to be restated as the leased building has now been correctly removed from the asset register.

The council holds long-term investments (i.e. those for more than 12-month terms) and I was able to confirm these are correctly recorded on the asset register and reported in box 9 on the AGAR.

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.

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), 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.*	**YES** – the requirements and timescales for 2024/25 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.	*considered and documented the financial and other risks it faces and dealt with them properly.*	**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.	*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.*	**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.	*responded to matters brought to its attention by internal and external audit.*	**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.	*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*	**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	2,499,927	2,507,968	Agrees to 2024/25 carry forward (box 7)
2	Precept or rates and levies	1,510,181	1,621,543	Figure confirmed to central precept record
3	Total other receipts	372,174	344,713	Agrees to underlying accounting records
4	Staff costs	862,992	927,935	Agrees to underlying accounting records. Includes only expenditure allowed as staff costs (see section G)
5	Loan interest/capital repayments	0	0	Council has no borrowing
6	All other payments	1,011,322	717,649	Agrees to underlying accounting records
7	Balances carried forward	2,507,968	2,828,640	Casts correctly and agrees to balance sheet
8	Total value of cash and short- term investments	2,491,115	2,828,647	Agrees to bank reconciliation for all accounts
9	Total fixed assets plus long- term investments and assets	3,065,460	3,065,460	Matches asset register total – previous year's figure restated to remove leased building.
10	Total borrowings	0	0	Council has no borrowing
11	Do the figures in the accounting statements above exclude any trust transactions	Yes	Yes	Yes – trust transactions are excluded from the stated figures

Audit findings

The year-end accounts have been correctly prepared on an income and expenditure basis with the box 7 and 8 reconciliation completed. This shows year-end total debtors of £61,546 and year-end total creditors of £61,553, with a full breakdown of the individual debtors and creditors provided.

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.

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.

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 publishes information on a free to access website/webpage, up to date at the time of the internal audit in accordance with 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.

CONCLUSION

I am satisfied this control objective has been met.

M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS

Internal audit requirement

The authority, during the previous year, correctly provided 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	19 June 2025	18 June 2026
Date inspection notice issued	20 June 2025	19 June 2026
Inspection period begins	23 June 2025	22 June 2026
Inspection period ends	1 August 2025	31 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 references partial compliance with the Web Content Accessibility Guidelines (WCAG) 2.1 AA and should be updated to refer to the current WCAG 2.2 AA standard.**

The council has an IT Policy in place which was reviewed and approved by the council at the meeting held on 26 January 2026 (minute ref 97.1).

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.

The council is in the process of updating its data audit, and this should be completed during 2026/27 as it may be included in future audit testing for Governance Assertion 10.

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.

CONCLUSION

The council has no trusts and the testing for this internal control objective is not applicable.

Achievement of control assertions at final internal audit date

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

	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 assesses 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 (receipts and payments or income and expenditure), supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded.	✓		
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 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 at andy@mulberrylas.co.uk

Yours sincerely

Andy Beams
Director, Mulberry Local Authority Services Ltd

Internal Audit – Summary of recommendations

Audit Point	Internal Audit Findings	Council comments
O. DIGITAL AND DATA COMPLIANCE	The Website Accessibility Statement references partial compliance with the Web Content Accessibility Guidelines (WCAG) 2.1 AA and should be updated to refer to the current WCAG 2.2 AA standard.	