

The Councillors
Brightwalton Parish Council
c/o Mrs F Bates
23 Slade Road
Didcot
Oxfordshire
OX11 7AR

8th May 2025

Dear Ladies and Gentlemen

Internal audit – 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. The purpose of this audit is to evaluate the effectiveness of its risk management, control and governance processes. It is not designed to detect or prevent fraud.

Audit work undertaken

In April and May 2025 I reviewed the financial systems and controls for the year to date, together with the financial statements and annual return. This review was carried out remotely.

My internal audit testing was based on the guidelines included in the revised NALC Governance & Accountability Practitioners Guide. The internal controls in place were confirmed and a series of tests using the financial records, vouchers, minutes, previous audit reports etc were conducted to establish the effectiveness of these controls.

My detailed report is contained in Appendix 1 and there are no matters arising that I need to draw to your attention.

New annual governance statement assertion in the 2025-26 AGAR

Appendix 3 gives some details regarding the new assertion which will appear in next year's annual governance statement and the guidance that the Council will need to have followed in order to give a positive response to it. This is purely for information and does not affect the 2024-25 audit in any way.

Overall conclusion

Generally, the financial records are well maintained and appear complete and fit for purpose. The control systems and procedures appear efficient and effective.

I trust that these comments are self-explanatory, but please do not hesitate to contact me if you would like further details.

Yours faithfully



Claire Connell

Appendix 1: Summary of internal audit findings in 2024-25

<u>Annual Internal Audit Report Section</u>	<u>Objective met?</u>	<u>Comments</u>
A. Appropriate accounting records have been properly kept throughout the year	Yes	The accounts have been maintained in an Excel spreadsheet which is quite adequate for councils of this size. The accounting records have been kept up to date.
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. No errors were found. Multiple quotations were obtained for larger purchases in the year. There were no significant purchases that would have required competitive tendering.
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 Insurance cover is obtained from Zurich which offers a Local Councils policy. A long-term agreement is in place. Standing Orders and Financial Regulations were updated during the year. The Risk Management Scheme was approved in May 2024. The scheme appears appropriate given the size and nature of the Council's activities. An annual RoSPA playground inspection is undertaken and monthly inspections are made during the year.
D. The precept resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Yes	The budget for 2025-26 was reviewed together with the related minutes and the process appeared thorough. The precept was derived from the budget.
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	Yes	The Excel spreadsheet was reviewed The precept was agreed to the minutes and to precept recorded in the spreadsheet produced by DLUHC. A VAT claim was submitted during the year.
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 Brightwalton 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 payroll is outsourced and the clerk is paid quarterly. No problems were identified.

H. Asset and investments registers were complete and accurate and properly maintained.	Yes	The fixed assets register is maintained in Excel and has been updated for changes in the year.
I. Periodic and year-end bank reconciliations were properly carried out during the year	Yes	The year end bank reconciliation was reviewed. Monthly bank reconciliations are carried out and these are reviewed and initialled by a councillor on a bi-monthly basis.
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 financial statements, annual return and supporting documentation for the annual return were reviewed and agreed to the cashbook. The accounting statements were prepared on the receipts and payments basis which is suitable for a council of this size. An adequate audit trail from underlying records exists.
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	Yes, the Council did meet the exemption criteria in 2023/24 and correctly declared itself exempt.
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 required to comply with publishing requirements of the Accounts and Audit Regulations 2015 and the Transparency Code. The necessary information was published for 2024 after the AGAR had been approved – see appendix 2 for details. The Council will need to publish the necessary information for the year ended 31 st March 2025 by 1 st July 2025.
M. In the year covered by this 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 the opportunity for the exercise of public rights for the correct number of days, within the correct timeframe and this was advertised correctly on the website.
N. The authority has complied with the publication requirements for 2023/24 AGAR (see AGAR Page 1 Guidance Notes).	Yes	Yes the Council published all the documents listed on page 1 of the AGAR at the correct time.
O. Trust Funds (including charitable) - the Council met its responsibilities as a trustee	Yes	The Council is the trustee of Brightwalton Millennium Green Trust. It meets twice a year as trustee and separate minutes and finances are maintained. The annual return to the Charity Commission for 2024 was made on time.

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.

Other items are required to be published by legislation such as the Accounts and Audit Regulations and CIL legislation. The end of year documents are required to be published by 1st July following the year end.

Item	Compliant?
All items of expenditure > £100	Yes, all payments and receipts are published.
End of year accounts	This should include <ul style="list-style-type: none"> • Accounting statement from the AGAR • The bank reconciliation as at the year end • An explanation of variances These are all available
Annual governance statement	Yes
Internal audit report	Yes
List of councillor responsibilities	Yes, all councillors are listed and the Chairman is identified
Details of public land & building assets	The fixed asset register is published on the website
Minutes, agendas & meeting papers of formal meetings	Yes, these are all available
AGARs for the past five years	Yes, these are available on the website, together with the information required to be published by councils claiming exemption from external audit.

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.