Internal Audits

Parish and Town Auditing Services
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Emma Pattullo
Clerk/RFO
Cromhall Parish Council

30th April 2026

Dear Emma,

INTERNAL AUDIT 2026

Parish & Town Auditing Services have been appointed to undertake the internal audits at Cromhall Parish Council. The annual internal audit for 2025/26 financial year was completed on 30th April 2026.

I can confirm that I am independent of the Parish Council.

As stated in the Letter of Engagement letter, the scope of our work is limited to completing the audit testing and enquiries we deem necessary to complete the internal audit section of the Annual Report for Local Councils in England. We do not provide assurance over or accept responsibility for areas of work not included in this scope, unless specifically agreed with the Council during the financial year. In providing internal audit services we are not conducting a financial statement audit in accordance with standards and guidelines issued and our procedures are not designed to provide assurance over the reliability and quality of your financial statements. This will be undertaken by the Council's appointed External Auditor.

We are required by the Annual Internal Audit Report included in the Annual Governance and Accountability Return (AGAR) to review controls in place at the Council against predefined control assertions. These controls are included in the following report.

The Audit has identified a number of recommendations to help update and improve the Council's current procedures. The audit has found no areas of concern and the Council's procedures and controls are generally working well.

Thank you for all the information you have provided to enable the audit to be undertaken.

Yours sincerely,

Paul Russell, Internal Auditor

INTERNAL AUDIT
Outlined below is an overview of the 10 Assertions within the Practitioners Guide 2025. Each of these are dealt with under the relevant Governance sections contained in Section 1 of the AGAR:

AGS Assertion 1 — Financial management and preparation of accounts
- Accounting Records and supporting documents:
- Bank reconciliation:
- Budget setting:
- Investments:
- Reserves:
- General Reserves:
- Earmarked and other reserves:

AGS Assertion 2 — Internal control
- Standing Orders and Financial Regulations:
- Safe and efficient arrangements to safeguard public money:
- Employment:
- VAT
- Fixed assets and equipment:
- Loans and long-term liabilities:

AGS Assertion 3 — Compliance with laws, regulations and proper practices
- Acting with its powers:

AGS Assertion 4 — Exercise of public rights

AGS Assertion 5 — Risk management

AGS Assertion 6 — Internal audit

AGS Assertion 7 — Reports from auditors

AGS Assertion 8 — Significant events

AGS Assertion 9 — Trust funds (local councils only)

AGS Assertion 10 — Digital and data compliance

The following headings are based on Section 1 – Annual Governance Statement.

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

The Parish Clerk has been appointed as the RFO (LGA1972 s151). This is clearly stated on the website (Clerk / RFO – Cromhall Parish Council)

The roll over figure is £63,007 (Box 7).

The Council maintains its accounts using the EasyPC Accounts software. A sample of the financial transactions between 1st April and 31st March 2026 has been undertaken. The following checks were carried out:

- A review of the cashbook against the bank statements and invoices paid;
- A sample of Payments have been checked against the bank statements to verify accuracy;
- Expenditure incurred is appropriate.

There is a proper process in place to ensure that financial information is correctly recorded and reported to Council as part of its governance procedures.

All invoices are reviewed by the Parish Clerk/RFO. A list of invoices is presented to Full Council for payment and reports are uploaded onto the Council's website under financial information. Approval of payments are minuted in the Council minutes with the list of payments included. Payment is via online banking and are authorised by two Councillors.

The Council has a Risk Management Policy and a Risk Assessment in place. Risk-Management-Policy-v2_0-Aug-2025.pdf and Risk-Register-v2_0-Aug-2025.xlsx

The Clerk/RFO is responsible for all financial transactions which are authorised by Full Council for payment.

The year end bank reconciliation has been completed. This was referenced back to the bank statements. The final balance held by the Council amounts to £68,960.03. as at 31st March 2026

The Council has met this control objective.

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

Tenders and Contracts are governed by Financial Regulations. All contracts being tendered should be published on the Parish Council's website as well as the Find a Tender portal where required.

Please note that Contracts Finder has now been replaced by Find a Tender so all contract information should be publicised on this portal where required. (Find a Tender)

Quotations have been sought during the year for the Grounds Contract. Paperwork relating to that process has been provided and reviewed.

Standing Orders are based on the latest NALC template.

Financial Regulations and are based on a recent NALC template.

The limits between the two documents match.

Financial recording and reporting procedure:

- The Council uses EasyPC accounting software to manage its accounts;
- Invoices are received and reviewed for accuracy by the Clerk/RFO.
- Invoices are coded and recorded in the accounts;
- Invoices are printed and filed and a copy is saved electronically. At present the accounts software does not have the facility to enable the invoices to be uploaded into it;
- A list of payments for approval is presented to every Council meeting on a monthly basis;
- The Clerk sets up the payment of invoices and they are authorised for payment via online banking by two Councillors.

There is appropriate segregation in place.

VAT is claimed quarterly. The following VAT claims have been received:

- 2024/25: £279.10 (15/04/2025)
- Q1: £456.91 (31/07/2025)
- Q2: £482.35 (03/10/2025)
- Q3: £438.27 (13/01/2026

The Council does have a Pockit prepaid Mastercard in place. Transactions are recorded in the accounts and at year end it was £123.53 in credit.

The Council does not currently have General Power of Competence in place.

The Council has met this control objective.

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

An Asset Register is in place and has been provided for review. It clearly state new assets purchased, assets that have been disposed of and insurance values where appropriate.

The Council is insured with Zurich. Policy Number YLL-2720931663. It runs from 1st June 2025 to 31st May 2026. It includes public liability (£12 million), Employers Liability (£10 million), Libel & Slander (£250,000) and a Fidelity Guarantee of £250,000.

Council is adequately insured.

The Council is responsible for the Townwell play area. It carries out an annual independent inspection and the report is posted on the Council's website. Regular monitoring is also undertaken by the Council.

The Council has adequate internal controls in place to ensure that it carries out its day-to-day business effectively and efficiently. It has an Internal Controls Policy in place Internal-Controls-v1_0-Feb-2026.pdf

The Council has met this control objective.

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

At its meeting held on 23rd January 2025 Full Council formally approved the budget and the setting of a precept. (Minute 2025/01/11.6)

2025/01/11.6 To determine the precept requirement for 2025/26 In accordance with the adopted budget, it was RESOLVED that a precept of £25,213 should be set for the financial year 2025-26. This equates to £78.79 for an average (Band D) property.

It has been confirmed that a precept of £25,213 was requested. (MHCLG Parish Code E0103P010)

Budget monitoring is undertaken on a monthly basis and during the budget setting. Informaion is included in the agenda pack.

The Council has Earmarked Reserves in place and these are reviewed during the budgeting process and at year end.

The Council has an adequate General Reserve to meet the requirements in place with allocated Earmarked Reserves also in place.

The Council had the following Bank Statement Balances as at 31st March 2026:

ACCOUNT	AMOUNT
Unity Trust Current	£965.78
Unity Trust Deposit	£67,870.72
Pockit Card	£123.53
TOTAL	**£68,960.03**

The Council has met this control objective.

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

The Council has no aged debtors.

The Council does not manage an allotment site.

The Council is not a burial authority.

The Council does not hire out any venues.

The Council has a lease in place for the School Field which the Council hires out.

Council's other income for 2025/26 included bank interest, Royal Oak parking licence and CIL income.

The Council has met this control objective.

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

The Council does not operate a petty cash system and did not receive any cash payments during the financial year.

The Council has met this control objective.

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 Clerk has a contract in place and it is based on the SLCC/NALC template.

Member do not receive a members' allowance.

A sample of staff salaries has been checked and confirmed that gross pay is calculated based on the appropriate pay scale. A sample of salaries paid during the year have been reviewed.

Tax codes are applied and included on the payslips and deductions properly calculated.

Payroll is undertaken by an external contractor. Payslips are generated and these include all the relevant information.

The Clerk is not a member of a pension fund..

A test sample was undertaken and it was confirmed that the correct net pay was paid to the employee with tax and NI contributions correctly deducted and paid to the respective agencies. (noted that the Clerk is under the tax band)

The Council has met this control objective.

H. Asset and investments registers were complete and accurate and properly maintained.

An Asset Register is in place. Asset purchase costs have been recorded. Additions and disposals are included on the updated Asset Register.

The asset value reported on the published version of the asset register as at October 2025 is £28,302.35.

A comparison of the insurance schedule against the asset register has been undertaken. Council has adequate insurance cover in place.

Council has no long-term investments in place.

Council has no loans in place.

The Council has met this control objective.

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

Bank reconciliations are prepared on a monthly and are signed off at Full Council meetings. Copies of the bank reconciliations have been provided.

The Council has met this control objective.

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.

Accounts are maintained on a receipts and payments basis. Appropriate accounting arrangements are in place.

The Council has met this control objective.

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. (If the authority had a limited assurance review of its 2024/25 AGAR tick "not covered").
Not covered.

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 following information should be published on the Parish Council's website under the Smaller Authorities Transparency Code (SI/SR Template)

Expenditure exceeding £100
Local authorities must publish details of each individual item of expenditure that exceeds £100. Published as part of the minutes.

End of year accounts
Annual publication no later than 1 July in the year immediately following the accounting year to which it relates. Published

Annual governance statement
Annual publication no later than 1 July in the year immediately following the accounting year to which it relates. Published

Internal audit report
Annual publication no later than 1 July in the year immediately following the accounting year to which it relates. Published

List of councillor or member responsibilities
Annual publication of councillor or member responsibilities no later than 1 July in the year immediately following the accounting year to which it relates. Published.

Location of public land and building assets
Annual publication no later than 1 July in the year immediately following the accounting year to which it relates. Parish councils and port health authorities to publish details of all public land and building assets – either in its full asset and liabilities register or as an edited version. Published

Minutes, agendas and papers of formal meetings
Publication of draft minutes from all formal meetings not later than one month after the meeting has taken place. Publication of meeting agendas and associated meeting papers not later than three clear days before the meeting to which they relate is taking place. Published

The Council has met this control objective.

M. In the year covered by this 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 publication relating to the Public Notice requirements were met. The Notice states 3rd June to 14th July 2025. This meets the statutory 30 day requirement.

The Council formally minute the dates of the public notice at the meeting where the AGAR was approved on 20th May 2025. (Minute 2025/05/12.5)

The Council has met this control objective.

N. The authority has complied with the publication requirements for 2024/25 AGAR.
Publication Requirements 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: Published
- Section 1 - Annual Governance Statement 2024/25, approved and signed, page 4: Published
- Section 2 - Accounting Statements 2024/25, approved and signed, page 5: Published

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. Published.

The Council has met this control objective.

O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.

Council has set up a .gov.uk email addresses for its Clerk/RFO and for its Councillors. (Noted that one Councillor is still using an Outlook email address) . Council meets best practice advice by having a .gov.uk domain for its website and email account.

The Council has adopted an IT policy as required. IT-policy-v1_0-Oct-2025.pdf

The Council has an Accessibility Statement published on its website. Accessibility Statement – Cromhall Parish Council

Note that since September 2020, all parish and Parish councils must have a website that complies with Website Content Accessibility Guidelines (WCAG). As from October 2024 that rating level changed from WCAG2.1 AA to WCAG2.2AA so that it meets Accessibility Guidelines as set in the Public Sector Bodies Accessibility regulations.

It has been confirmed that the current Council website complies with WCAG 2.2 AA. It achieved 80%: Scan Results — CompliaScan

Accessibility has been reviewed and the parish council section of the website scores 5.1 out of 10: WAVE Report of Cromhall Parish Council – Serving the local community

Recommend that Council contacts its website provider to try to improve the Wave report.

Data Protection requirements:
- Data Protection Officer – Parish Clerk
- Data Audit: In place.
- Training for staff and Councillors: Package of training adopted.
- Data Protection Policy: In place (note link on website needs addressing)
- Data Retention Policy: In place. Records-Retention-Policy-v1_2-Jan-2026.pdf
- Secure data to protect it from Data Breaches: Part of above policies.

Council will need to ensure that the following requirements have met:

- Appoint a Data Protection Lead officially
- Ensures it has all the policies above in place
- Ensure that both hard copy and electronic data have relevant protections in place. For hard copy records this will be identified by the audit. For electronic data it is recommended that your IT provider outlines what protections are in place, how often data is backed up and how it is stored. Ensure that all computers have some level of virus protection.

There is a Freedom of Information Policy is in place or a publication scheme.

The Council meets the Smaller Councils Transparency Code as required. www.cromhall-pc.gov.uk/wp-content/uploads/2026/02/Publication-Scheme-v1_3-Jan-2026.pdf and FoI Request Log.xlsx

The Council has met this control objective

P. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.
The Council is not a trustee