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Mrs I Taylor
Harrogate Town Council
Room 10, Harrogate Community House
46-50 East Parade
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17 April 2025

Dear Iona

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

Executive summary
Following completion of our final internal audit on 17 April 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.

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/remotely with the Clerk, who also acts as the council's Responsible Financial Officer (RFO). The Clerk had prepared the information advised in advance of the visit, and overall, I have the impression that accounting records are neatly maintained and easily accessible.

Other information was reviewed through discussion with the Clerk and a review of the council website www.harrogatetowncouncil.gov.uk

It is apparent from a review of the documents, that despite the council only being established this year, many of the policies, processes and documents in place are already an example of best practice within the sector.

I would like to thank the Clerk for her assistance during the audit and for the considerable work which has gone into setting up the robust governance processes in place.

UPDATES ON RECOMMENDATIONS FROM INTERIM AUDIT

Internal Audit – Summary of recommendations

Audit Point	Interim Audit Findings	Council comments
A. BOOKS OF ACCOUNTS	In particular, the council website should be 'live' as soon as possible to ensure the council is providing information to residents in a clear and transparent manner, and the establishment of clear risk management systems and policies should be a priority action for the council. I am pleased to note that councillors are working to develop a strategic plan for adoption by the council, and I discussed with the Clerk the recommended practice of incorporating a financial plan to support this, which will assist the council in explaining the need for any future precept rises to residents, as they can be directly linked to the council's adopted strategy.	The council website is now live, and reviewing the website shows that documents appear easy to locate and an extensive amount of information is published demonstrating the council operating in a fully transparent manner. The council now has in place a strategic plan underpinning it's Vision and Values and these documents are available for review on the council website.
B. FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS	Testing for compliance with the requirements for Assertion 10 will be completed at the year-end internal audit as the council website is yet to go live.	Testing for this internal control objective is now covered in section O of this report.

C. RISK MANAGEMENT AND INSURANCE	The Fidelity Guarantee level is sufficient at present, although this should be kept under review as the council increases in size. The council is yet to adopt a Risk Management Policy. Consequently, at this stage I must conclude that the council has not met the requirements of this internal control objective and I will need to see evidence of the Policy being adopted by the council, and it being followed at the final internal audit to achieve a positive sign-off for this internal control objective.	The Clerk confirmed the Fidelity Guarantee level has been increased to £750,000 which is currently sufficient for the council. The council has now adopted a Risk Management Policy, and I am satisfied that this internal control objective is being met.
D. BUDGET, PRECEPT AND RESERVES	A review of the general and earmarked reserves will be conducted as part of the final internal audit. As the council is starting from a position of no reserves being held, I acknowledge that it is unlikely to meet the recommended guidance levels at the end of the 2025/26 financial year, but through discussion with the Clerk, she feels it is realistic to aim to reach this level within three years.	A further review of progress against the recommended guidance will be conducted at next year's audit.
H. ASSETS AND INVESTMENTS	I confirmed by sample testing of the invoices that items added during the year has been accurately recorded as the original net purchase price, although we found one error which included VAT which the Clerk has noted to correct. The Clerk has scheduled the adoption of an Investment Policy, and this will be reviewed once adopted.	I confirmed the correction highlighted at the interim audit has been adjusted on the asset register. The Clerk confirmed that a draft investment policy is due for approval by council and this will be reviewed at the next interim audit.
I. BANK AND CASH	The council holds two accounts with Unity Trust. At the date of the interim audit, the balances held with Unity exceed the £85,000 protection limit offered by the Financial Services Compensation Scheme (FSCS).	The council has increased its budget for 26/27 and is no longer covered by the FSCS.

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. Updates on the recommended actions from the interim audit are included in the table on box 4 of this 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 recommended actions from the interim audit are included in the table on box 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 recommended actions from the interim audit are included in the table on box 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 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. Updates on the recommended actions from the interim audit are included in the table on box 4 of this report.

Budget

The Clerk/RFO produces regular detailed budget reports from the accounting software. The year-end budget report shows income reported as 141% of budget and expenditure at 83%. 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. The Clerk also provides a detailed report twice per year explaining in detail the council's financial performance including the reasons for any significant variances from budget which ensures that all councillors can make informed financial decisions.

Precept

The council set a precept of £362,000 for 2025/26. With a tax base of 28,426.89, this equates to a band D equivalent of £12.73 (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 was able to confirm from the minutes that the 2026/27 budget and precept were approved by the council at the meeting held on 7 January 2026 (minute refs 137.2 25-26 and 13.73 25-26 respectively). The council has increased its precept for 26/27 although the new band D equivalent figure remains significantly lower than the national average. While the desire to keep the costs low to residents is admirable, future precept increases are likely required for the council to ensure the capacity to deliver its ambitious plans.

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 reserves, split between categories as below:

- CIL EMR £136,295
- Other restricted EMR £6,117
- Earmarked EMR £43,016
- General Reserves £115,511

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

The general reserve balance is which is lower than the recommend range as detailed in the Practitioner's Guide, although this was highlighted in the interim audit and is likely to remain lower until the council has been established for a longer period and been able to build up a higher general reserve.

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. PETTY CASH

Internal audit requirement

Petty cash payments were properly supported by receipts; all petty cash expenditure was approved and VAT appropriately accounted for.

CONCLUSION

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

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.

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.

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 council has acquired the Civic Collection and Civic Regalia, and in accordance with the Practitioner's Guide, these items should be listed as a nominal £1 each as they have been transferred to the council at no cost.

An independent valuation of the Civic Regalia has been completed, valuing the collection at £451,850, and this figure should be used for insurance purposes.

The council has no long-term investments.

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 took all reasonable steps to assure 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	*considered and documented the financial and other risks it faces and dealt with them properly.*	**YES** – the council has a risk management scheme and

	introduction of internal controls and/or external insurance cover where required.		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*	**NO** – the council has not met the requirements of Governance Assertion 10

Section 2 – Accounting Statements

The council was newly formed in May 2025 and therefore has no comparison data for 2024/25 to report.

AGAR box number		2024/25	2025/26	Internal Auditor notes
1	Balances brought forward	N/A	0	Agrees to 2024/25 carry forward (box 7)
2	Precept or rates and levies	N/A	362,000	Figure confirmed to central precept record
3	Total other receipts	N/A	152,335	Agrees to underlying accounting records
4	Staff costs	N/A	103,153	Agrees to underlying accounting records. Includes only expenditure allowed as staff costs (see section G)
5	Loan interest/capital repayments	N/A	0	Council has no borrowing
6	All other payments	N/A	113,242	Agrees to underlying accounting records
7	Balances carried forward	N/A	297,939	Casts correctly and agrees to balance sheet
8	Total value of cash and short- term investments	N/A	336,784	Agrees to bank reconciliation for all accounts
9	Total fixed assets plus long- term investments and assets	N/A	12,364	Matches asset register total
10	Total borrowings	N/A	0	Council has no borrowing
11	Do the figures in the accounting statements above exclude any trust transactions	N/A	Yes	Yes – trust transactions are excluded in 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 total year-end debtors of £3,652 and year-end creditors of £42,497, with a full breakdown of the individual debtors and creditors provided.

The AGAR correctly casts and cross casts. As the council did not exist in the previous year, there are no comparative figures to confirm to the previously submitted AGAR.

The variance analysis has been completed and explains that as this is the first year of the council's existence, there are no comparative figures to explain.

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.

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
This control objective is not applicable to the council as this is its first year of existence, and the test refers to the dates provided relating to the 2024/25 AGAR submission.

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.

The council was newly formed in May 2025 and therefore has no data for 2024/25 to report.

Audit findings

Inspection – key dates	2024/25 Actual	2025/26 Proposed
Date AGAR signed by council	N/A	6 May 2026
Date inspection notice issued	N/A	7 May 2026
Inspection period begins	N/A	3 June 2026
Inspection period ends	N/A	14 July 2026
Correct length (30 working days)	N/A	Yes
Common period included (first 10 working days of July)	N/A	Yes

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
This control objective is not applicable to the council as this is its first year of existence, and the test refers to the dates provided relating to the 2024/25 AGAR submission.

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.

CONCLUSION

This control objective is not applicable to the council as this is its first year of existence, and the test refers to information published relating to the 2024/25 AGAR submission.

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. **However, there is no evidence of a Website Accessibility Statement being published on the website by 31 March 2026 and therefore the council has not met the requirements of Governance Assertion 10.**

Upon this discovery, the Clerk ensured that the Website Accessibility Statement was added to the website later that day, although this does not alter the conclusion for 2025/26.

The council has an IT Policy in place which was last reviewed and approved by the council at the meeting held on 30 March 2026 (minute ref 187 25-26a).

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 last completed a data audit during March 2026, and I recommend the council ensures this is completed regularly to comply with GDPR regulations.

CONCLUSION

I am not satisfied this control object has been met within the year under review, although subsequent corrective action has already been taken and no further action is required.

P. TRUSTEESHIP

Internal audit requirement

Trust funds (including charitable) – The council met its responsibilities as a trustee.

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.

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	Petty cash payments were properly supported by receipts, all petty 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 on 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. DATA AND DIGITAL COMPLIANCE	However, there is no evidence of a Website Accessibility Statement being published on the website by 31 March 2026 and therefore the council has not met the requirements of Governance Assertion 10.	Upon this discovery, the Clerk ensured that the Website Accessibility Statement was added to the website later that day. No further action required.