



Rebecca Webster  
Parish Clerk  
Malborough Parish Clerk

25<sup>th</sup> April 2026

Dear Rebecca,

### **INTERNAL AUDIT 2026**

Parish & Parish Auditing Services have been appointed to undertake the internal audits at Malborough Parish Council. The annual internal audit for 2025/26 financial year was completed on 25<sup>th</sup> 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 RFO (LGA1972 s151). This is clearly stated on the website.

The correct roll over figure of £184,293 has been included in the AGAR. (Box 7).

The Council maintains its accounts using the Scribe finance software. A sample of the financial transactions between 1<sup>st</sup> April and 31<sup>st</sup> 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. Procedures are included in the Financial Regulations and the Internal Controls Policy.

A list of invoices for payment is presented to Full Council for payment and listed on the agenda. The minutes list approvals and ratification of payments.

The Council has a Risk Management Strategy in place. [attachments.asp](#)

Bank reconciliations are prepared monthly, presented to Full Council as part of the agenda papers and signed off by Council. A copy of the signed monthly reconciliation is uploaded onto the website.

There is appropriate segregation in place.

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 £194,202.66 as at 31<sup>st</sup> March 2026

The Council has an investment Strategy in place.

[www.malboroughparishcouncil.gov.uk/shared/attachments.asp?f=c54aab4e-3851-4730-89f2-ee8452121290%2Epdf&o=19-Investment-Strategy%2Epdf](http://www.malboroughparishcouncil.gov.uk/shared/attachments.asp?f=c54aab4e-3851-4730-89f2-ee8452121290%2Epdf&o=19-Investment-Strategy%2Epdf)

**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.

It had the following maintenance contracts in place during 2025/26:

- Elite Property Services
- Cutting Edge Garden Services
- Do It All Services

Standing Orders were reviewed in 2024 and are based on an older NALC template version. Section 18 refers to now out of date public contract limits which were superseded by the Procurement Act 2023. Limits still refer to old EU limits.

**Recommend that Standing Orders be reviewed and updated in 2026 and are based on the most up to date NALC template version.**

Financial Regulations are also based on an older NALC template version. They still refer to Contracts Finder which has now been replaced by Find a Tender.

**Recommend that Financial Regulations be reviewed and updated in 2026 and are based on the most up to date NALC template version.**

The limits between the two documents match.

The invoices procedure is as follows:

- On receipt they are reviewed for accuracy;
- Coded to correct cost centre;
- Invoices are saved electronically;
- Invoices are uploaded and recorded in the software;
- Payment schedule presented at each meeting for approval;
- Payments ratified at each meeting.

There is appropriate segregation in place.

VAT is normally claimed annually. The claim for 2024/25 of £1,945.41 was Recorded as received on 21/05/2025. The 2025/26 VAT claim amounting to £4,131.49 has been submitted.

The Council does not have a credit card in place.

The Council does not 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.**

The Council has a Risk Management Strategy in place.

An Asset Register is in place and is managed on the Scribe accounting system. Current value of the assets amounts to £261,361. A copy is available on the website.

The Council is insured through Gallaghers with Hiscox. Policy Number - 9658163. Cover commenced on 1<sup>st</sup> June 2025 and runs continuously until it is cancelled.

A review of the insurance policy has been undertaken and Council is adequately insured.

The Council is responsible for a play area at Malborough Park. The Council carries out monthly independent inspections. These are properly recorded and copies of the reports have been reviewed.

The Council has adequate internal controls in place to ensure that it carries out its day-to-day business effectively and efficiently. An Internal Controls Policy is in place [MALBOROUGH PARISH COUNCIL STATEMENT/SYSTEM OF INTERNAL CONTROL](#)

**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 20<sup>th</sup> November 2024 Full Council formally approved the budget and the setting of a precept.

It has been confirmed that a precept of £57,104 was requested. (MHCLG Parish Code E1136P034)

Budget monitoring is undertaken during the budget development and precept setting. **It is recommended that at least quarterly budget monitoring reports are presented to Council for review. These can be generated from the Scribe accounts system.**

The Council has Capital and Earmarked Reserves in place. These are maintained in the accounting package. Capital Reserve are £94,252.97 and includes S106 funds and EMRs are £49,240.59.

The Council has sufficient General Reserves in place to meet the recommended guidelines.

The Council had the following Bank Statement Balances as at 31<sup>st</sup> March 2026:

<b>ACCOUNT</b>	<b>AMOUNT</b>
Lloyds Current	£3,000.00
Lloyds Instant Access	£66,753.52
Unity Trust Savings	£124,449.14
<b>TOTAL</b>	<b>£194,202.66</b>

**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 manages the Malborough allotment site. It maintains its financial records on the Scribe system which is up to date. A copy of the tenancy agreement has been provided and reviewed.

The Council is a burial authority and manages the Cemetery. A copy of the Burial Register has been provided and confirmed to be up to date. Cemetery fees have also been reviewed.

**Recommend that a specific page is set up for both the Allotments and the Cemetery and includes Rules and Regulations, Fees and forms.**

The Council does not hire out any venues.

The Council has the following leases in place:

- Allotments

Council's other income for 2025/26 included bank interest, donations, grass cutting contribution, refund, Localities Grant, newsletter income, tuck shop income, PROW, S106 and shared training reimbursement.

**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 of employment in place which is based on the NALC template.

Member do not receive a members' allowance.

A sample of staff salaries has been checked and confirmed. Salaries paid during the year have been reviewed. Gross pay is calculated in accordance with the relevant NJC scale. Tax codes are included on the payslips and deductions properly calculated.

Payroll is undertaken using HMRC basic tools. Pay slips are generated. Pay slips have been reviewed and it has been confirmed that tax is properly deducted.

No pension contributions have been made.

National Insurance contributions have been deducted as required.

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.

**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 and has been reviewed. Asset purchase cost is recorded and additional information is included where appropriate. It is managed in the financial software.

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 monthly and are signed off by Full Council. A copy of the monthly bank reconciliations are uploaded onto the website.

**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.

**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 annually.](#)

### **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 as part of the asset register.](#)

### **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. Recommend supporting financial papers are 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 requirements were met. The Notice states 3<sup>rd</sup> June to 14<sup>th</sup> July 2025. This meets the statutory 30 day requirement.

The Council did not formally minute the dates of the public notice at the meeting where the AGAR was approved on 21<sup>st</sup> May 2025. **Recommend that the public**

notice dates are recorded and minuted once approved for transparency reasons.

**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 a .gov.uk email addresses for its Clerk/RFO and its Councillors. 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. [attachments.asp](#)

The Council has an Accessibility Statement published on its website. ([attachments.asp](#)) **Recommend that the accessibility statement is updated as it currently refers to WCAG2.1 AA. See note below:**

**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 Parish Council website complies with WCAG 2.2 AA. It achieves 79% but requires improvement: [Scan Results — CompliaScan](#)

Accessibility has been reviewed and the parish council section of the website scores 7.8 out of 10. [WAVE Report of Malborough Parish Council, Malborough, Kingsbridge](#)

**Recommend that Council contacts its web provider to ensure it meets the above requirement relating to accessibility.**

Data Protection requirements:

- Data Protection Officer – Parish Clerk
- Data Audit: [attachments.asp](#)
- Training for staff and Councillors: Package in place.
- Data Protection Policy: In place [attachments.asp](#)
- Secure data to protect it from Data Breaches: [attachments.asp](#) and [Data Security Breach Procedure](#)

The Council has the following Data Protection Policies in place as well as the policies identified above:

- Privacy Notice ([Privacy Policy - Malborough Parish Council, Malborough, Kingsbridge](#))
- Data Retention Schedule ([Best practice guidelines for parish clerks on the retention and preservation of parish council records](#))

**Council will need to ensure that the following requirements continue to be met:**

- 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.

A Freedom of Information Policy is in place: [attachments.asp](#)

The Council meets the Smaller Councils Transparency Code as required.

**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 sole trustee.