



Rebecca Carter
Parish Clerk
Cary Moor Parish Council
Portman House
North Barrow
BA22 7LZ

16th May 2026

Dear Rebecca,

INTERNAL AUDIT 2025/26

Parish & Town Auditing Services have been appointed to undertake the internal audits at Cary Moor Parish Council. The annual internal audit for 2025/26 financial year was completed on 16th May 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 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 the RFO as required under S151 of LGA 1972. **Recommend this is stated on the website.**

The roll over figure is £21,581 (Box 7).

The Council maintains its accounts using a spreadsheet. 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.

A list of payments is presented to Council at each meeting. Approvals are minuted in the Council minutes and payment is via online banking. All payments are authorised by two Councillors.

The Council has [a Risk Register](#) in place which is available on the website.

There is appropriate segregation in place and an adequate process to enable the detection and identification of potential fraud.

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 £24,734.54 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.

Standing Orders are based on the latest version of the NALC template.

Financial Regulations are based on a slightly older version of the NALC template and still contains reference to Contracts Finder (page 6). **Recommend this be updated at some point.**

The financial limits in the two documents match.

The invoices procedure is as follows:

- On receipt of invoice Clerk reviews for accuracy and recorded under the correct cost centre;
- Invoices are printed and filed;
- Payment schedule presented at each meeting for approval;
- Payments ratified at each meeting;
- Clerk uploads transactions on banking app for payment
- All payments are authorised by two Councillors. Invoices are signed off at the Council meeting.

There is appropriate segregation in place.

VAT is claimed annually. One VAT claim has been received during the year. A claim of £376.23 was received. Ensure VAT for 2025/26 is claimed in good time.

The Council does not have a credit or debit 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 Policy in place.

The Council is insured with Zurich Policy Number YLL-2720925193. Cover runs from 1st June 2025 to 31st May 2026. Includes public liability (£12 million) and a Fidelity Guarantee (£250,000).

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

The Council is not responsible for a play area.

The Council has adequate internal controls in place to ensure that it carries out its day-to-day business effectively and efficiently.

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 14th January 2025 Full Council formally approved the budget and the setting of a precept. (Minute 25/06.c). Precept Resolved was £14,650.

c. To consider Budget & Precept figures for 2025/2026. £1,763.99 £150.00 £150.00 £30.00 To agree on a figure for the Precept. Proposal to maintain the precept at £14,650 for FY 25/26. The Clerk previously distributed the draft precept for 2025/26

with supporting notes, Annexes 1 and 2, in which she recommended to maintain the precept at £14,650. This would effectively equate to an increase of approx. £0.10 per household per annum, from £50.68 to £50.78, the equivalent of 0.2% on a Band D Precept property, due to the changes in the tax base rate set by SC.

It has been confirmed that a precept of £14,650 was requested.

Budget monitoring is undertaken during the year and at budget and precept setting time.

The Council has set up Earmarked Reserves and has received CIL income during the year which is being ringfenced.

The Council has an adequate General Reserve to meet the current recommendations in place with specific EMRs allocated.

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

ACCOUNT	AMOUNT
Barclays Current A/C	£4,673.02
Barclays Premier A/C	£20,061.51
TOTAL	£24,734.53

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 and does not hire out any venues.

The Council does not have any leases in place.

Council's other income for 2025/26 was bank interest.

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 or make 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 based on the NALC model.

Members do not receive a members' allowance.

A sample of staff salaries has been checked and confirmed. 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 payroll software. Payslips and other reports are generated.

No Pension contributions are made.

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.

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 is maintained on a spreadsheet. There have been no recorded movements during the year. Box 9 states £8,004 as the value of assets which has been referenced back to the asset register.

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 does not have any 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 basis, reported to Full Council and signed off at the meetings.

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. Income and expenditure agrees to the cash book and is supported by an adequate audit trail.

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”).

Council certified itself as exempt from a limited assurance review. The certificate of exemption has been uploaded onto the Council’s website.

Council minuted its exemption at its meeting held on 13th May 2025. (Minute 25/44.e)

e. Certificate of Exemption 2024/25: To consider if the Council meets the qualifying criteria to certify itself as exempt from a limited assurance review under section 9 of the Local Audit (Smaller Authorities) Regulations 2015. RESOLVED: The PC confirmed that the statements applied and that neither income or expenditure exceeded £25,000. The Certificate of Exemption was duly signed.

The Council has met this control objective.

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](#)

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 1st July to 14th August 2025. This meets the statutory 30 day requirement.

Council formally minuted the Public Notice at its meeting held on 13th May 2025. (minute 25/44.d)

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 Members. Council meets best practice advice by having a .gov.uk domain for its email account and its website domain.

The Council has adopted an IT policy as required. [CMPC-IT-Policy-April-2026.pdf](#)

The Council has an Accessibility Statement in place. [Accessibility Statement - Cary Moor 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 Cary Moor Parish Council website complies with WCAG 2.2 AA. It achieves 78%: [Scan Results — CompliaScan](#)

Accessibility has been reviewed and the parish council section of the website scores 9.7 out of 10: [WAVE Report of Home - Cary Moor Parish Council](#)

Data Protection requirements:

- Data Protection Lead – Parish Clerk is Data Protection Lead
- Data Audit: **The Council is required to undertake a data audit as soon as possible**
- Training for staff and Councillors: **Council needs to arrange data protection/assertion 10 training.**
- Data Protection Policy: **Council needs to adopt a policy.**
- Secure data to protect it from Data Breaches: **Council needs to adopt a policy.**
- Document Retention Policy: **Council needs to adopt a policy.**
- FOI Publication scheme: **Council needs to adopt a policy.**
- Data Breach and Subject Access Request policies and procedures: **Council needs to adopt a policy.**

Council should ensure that the following requirements are also 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 has been adopted. [W&F Publication Scheme](#)

There is a privacy notice in place. [Privacy Policy - Cary Moor Parish Council](#)

The Council partially meets this control objective but there are a number of policies and actions that need to be addressed. Therefore the overall assessment is that the Council does not meet the control criteria.

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