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Date 10th June 2026

INTERNAL AUDIT – COLD ASHTON PARISH COUNCIL

I have been appointed to undertake the internal audits at Cold Ashton Parish Council. The annual internal audit for 2025/26 financial year was completed on 10th June 2026.

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

The scope of my work is limited to completing the audit testing and enquiries I deem necessary to complete the Annual Internal Audit Report for Local Councils in England. I 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 I am not conducting a financial statement audit in accordance with standards and guidelines issued and my 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.

I am 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.

A. R. Jay

Tony Jay

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 is the RFO as required under S151 of the LGA 1972.

The roll over figure is £12,261 (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 Council's Financial Regulations are not posted on the council website. This was commented upon in the 2024-25 Internal Audit report.

A Financial report is presented to Council at each meeting. This includes a list of invoices for payment to be made. Approvals are minuted in the Council minutes and payment is via online banking. All payments are authorised by two Councillors.

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 £12,260.98 on 31st March 2026.

The Council has met this 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.

Both Standing Orders and Financial Regulations are based on the latest NALC template versions.

The invoices procedure is as follows:

- On receipt reviewed for accuracy;
- Coded to correct cost centre;
- Invoices are printed and filed;
- Payment schedule presented at each meeting for approval;
- Payments ratified at each meeting;
- Invoices are kept in secure storage.

There is appropriate segregation in place.

VAT is currently not being claimed. It should be noted that all Parish Councils should reclaim VAT expenditure.

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 does not have a Risk Management Strategy.

An Asset Register is in place (named a Property Register) but this is not published on the website. The value of assets meets Box 9 of the AGAR: £783

The Council is insured with Hiscox. Cover runs from 1st June 2025.

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

The Council is not responsible for any play areas.

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 partially met this this control objective. The Council can tick YES to box 1 of the 2025-26 Governance Statement if a Risk Management Strategy is adopted as soon as possible.

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 7th January 2025 the Council formally approved the budget and the setting of a precept for 2026-27 of £5,000. (Minutes 9). A precept demand of £5,000 was submitted.

In my 2024-25 internal audit report I commented that the parish council was holding too much in reserves i.e. more than 100% of the precept, and that efforts should be made during 2025-26 to reduce the reserves figure. However, I note that the level of reserves has risen during the year to £12,261 at year end and a precept increase of 5% was agreed. An explanation for the increase was provided as there are likely to be some additional costs for pushing forward the Neighbourhood Plan process.

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

ACCOUNT	AMOUNT
Barclays Bank current account	£5,253.20
Barclays Bank reserve account	£7,007.78
TOTAL	**£12,260.98**

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 does not have any leases in place.

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 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.

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 by the QTAC payroll provider.

No Pension contributions are made.

Employee National Insurance contributions have been deducted and both employee and employer National Insurance contributions are paid.

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.

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 being prepared.

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.

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)

The 2024-25 Internal Audit report found that the Council's Financial Regulations Complaints Procedure and Councillor Code of Conduct were not published on the Council website. This is still the case.

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

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.

I note that not all of the recommendations contained in the 2024-25 internal audit report have been complied with. Financial Regulations and a Complaints Procedure have not been published on the website.

As the 2024-25 internal audit recommendations were not fully implemented, box 7 on the 2025-26 Governance Statement needs to be ticked NO.

I make the following recommendations in this report:

There is a later version of the NALC Standing Orders which needs to be adopted.

To comply with the revised audit procedures, these documents must be adopted, if not already adopted, and posted on the council website:

- Financial Regulations
- Complaints Policy
- Grievance Policy
- Discipline Policy
- Councillor Code of Conduct
- Internal Control Policy
- Procurement Policy
- Publication Scheme
- Retention Policy
- Subject Access Request Policy

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 partially met this control objective. If the policies listed in this report are not adopted the council will fail this control objective in the 2026-27 audit.

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 4th June to 14th July 2025. This meets the statutory 30 day requirement.

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

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.

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 Cold Ashton Parish Council website does not currently comply with WCAG 2.2 AA. It achieves 88% and is needs improvement: Scan Results — CompliaScan I recommend that you discuss this score with your website provider.

Accessibility has been reviewed and the parish council section of the website scores 9.8 out of 10. WAVE Report of Cold Ashton Parish Council

Data Protection requirements:

- Data Protection Officer – The Parish Clerk has been appointed.
- Data Audit: In place.
- Training for staff and Councillors: training package is in place.
- Data Protection Policy: In place
- Secure data to protect it from Data Breaches: Policies are in place.

Data governance policies in place:

- Privacy Notice: In place
- Accessibility Statement: In place
- Data Protection Policy: In place
- Document Retention Policy: In place

- IT Policy: Not in place
- Data Breach Policy: Not in place
- FOI Publication scheme: Not in place

The Council has partially met this control objective and can tick YES to box 10 on the 2025-26 Governance Statement if the three policies listed directly above are adopted as soon as possible.

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

The Parish Clerk has informed me that the figures on the 2024-25 AGAR accounting statement were incorrect. The correct 2024-25 figures have been included in the year ending 31st March 2025 section on the 2025-26 AGAR accounting statement. The 2024-25 AGAR will need to be restated during a Parish Council meeting.