

BILSTHORPE PARISH COUNCIL
INDEPENDENT INTERNAL AUDITORS REPORT
FOR THE YEAR ENDING 31 MARCH 2026

This report is produced as a follow on from an interim audit on the Bilsthorpe Parish Council's policies and procedures. This review was carried out during April 2026 reviewing records from October to 31 March 2026 to complete the year set.

I have conducted my audit in relation to the books and records kept for the year 2025-26 by the Parish Clerk and RFO. This work has been carried out on a sample basis in order to provide an assessment of the Council's compliance with the relevant policy and controls that are expected to be in operation. My tests are in line with those outlined within the Smaller Authorities Proper Practices Panel Practitioners' Guide published in March 2025.

The Clerk and RFO has given me full co-operation and assistance with my work in providing access to information and answering my questions.

Under each of the Internal Control Objectives tested or part tested I have noted key points of merit or issues to note:

Objective A - Appropriate accounting records have been kept

The Council uses Scribe Accounting software which is sector specific and enables detailed reporting of the Council's finances.

I have reviewed a sample of invoices against the bank statements. All was in order and no issues detected. I was pleased to see that the voucher reference numbers had been added to the tops of the invoices to help with cross referencing to the accounts.

I have been granted access to Scribe and note that invoices and other documents are not scanned to the corresponding record and this is perhaps something that could be done going forward. This will ensure that the accounts can be reconstructed fully in the event of loss of the paper records.

The Council's minutes are up to date and signed.

Objective B - Compliance with Financial Regulations, payments supported by invoices, all expenditure approved and VAT appropriately accounted for.

The Council reviewed and re-adopted its Standing Orders and Financial Regulations as well as a number of other policies at its meeting on 12th May 2025.

Contract levels match across the two documents. The Council has not entered into any contracts over £25,000 this financial year, to date.

Invoices are signed by councillors to show that they have been checked and verified. Payments are approved through Council as necessary and recorded in the minutes.

The Council is minuted as reviewing and selecting quotes and using tender processes as appropriate. An appropriate waiving of the financial regulations was considered at the meeting on 8th September in relation to an ongoing project.

Payments are processed without dual authorisation. This is not considered best practice but there are other checks and balances in place which would help to detect fraud should it occur.

It has been confirmed that the Council does have a debit card and this is used appropriately.

Objective C - Authority assessed significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

I could not find reference to the Council having reviewed its Risk Register within the financial year. This will require a no answer to Assertion 5 on the AGAR. The Council should review this document at least annually.

Objective D - The precept or rates requirement resulted from an adequate budgetary process; progress against budget regularly monitored and reserves were appropriate.
The Council set the precept after considering the draft budget which had been through a previous meeting and discussed thoroughly. The budget and financial position is monitored by the Council at each meeting.

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

The Council has limited income sources and does not use Scribe to issue invoices so this could only be surface scanned. It appears that all expected income has been received.

Objective F - Petty Cash managed appropriately

Not covered - the Council does not operate a petty cash account.

Objective 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.

The sample payslips provided appear to have been calculated correctly. The council has corresponding payments to HMRC logged in the bank statements.

Objective H - Asset and Investment Registers were complete and accurate and properly maintained.

The Council's asset register is minuted as having been reviewed and agreed at the 12th May 2025 meeting.

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

Monthly bank reconciliations are carried out. These are seen and certified by Councillors with the reconciliations being signed and dated as verification. This is also minuted. There were no issues identified.

Objective J - Accounting statements preparation

The Council operates on receipts and payments methodology. The accounting statements have been correctly prepared on this basis.

Objective K - Exemption from limited assurance

Not covered - authority not exempt as turnover in excess of £25,000.

Objective L - Transparency arrangements

Whilst the Council is not subject to the requirements of either of the Transparency Codes in law, it is expected that authorities above the smaller Authorities threshold of £25,000 turnover will follow the provisions in the Local Government Transparency Code 2015 (insofar as items are applicable - the housing data provisions are not, for example).

There is further information which the Council could publish such as a contracts register, land and property register.

Objective M - Correct provision for the previous year's period for the exercise of public rights.

The correct provision was made for the previous year's exercise of public rights.

Objective N - Compliance with publication requirements for the prior year AGAR

The AGAR and notice were published on the website after approval, prior to 30th June, as required.

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

The Council reviewed its responsibilities under the new Assertion 10 at its meeting held on 11 August 2025. As a result it approved an IT policy and a Social media policy. It committed to reviewing the website against the WCAG requirements. The Council does not appear to have an Accessibility Statement which the Council is required to have and review on a regular basis. This will necessitate a non-compliant answer for the Assertion 10 statement and control objective.

Objective P - Trust Funds - the Council met its responsibilities as a trustee.

Not applicable - The Council has no charity responsibilities at the time of test.

Conclusion and recommendations summary

The Council has more work to do to enable it to confirm it meets the requirements of assertion 10 in the form of an accessibility statement which should be published on the website. A review of the requirements has been committed to and this will need to be worked on over the coming 12 months.

Overall, I conclude that the Council has generally been operating effective governance and accounting arrangements, for the 2025-26 financial year. However the compliance with assertions 5 and 10 has not been met so the Council must answer 'No' to both of these.

S Doherty

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29 April 2026