Streatley Parish Council

https://www.streatley.org/

Year-end Internal Audit Report 2025-26 financial year

Claire Lingard-McKay

Working the Greener Way - Online

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The role of Internal Audit

The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England & Wales) Regulations 2015, which states that a relevant body must:

'Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector and internal auditing standards and guidance'.

The standards for 'proper practices' in relation to internal audit are laid down in the Public Sector Internal Audit Standards April 2017 [the Standards].

The role of internal audit is best summarised through its definition within the Standards, as an:

'Independent, objective assurance and consulting activity designed to add value and 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 Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively.

The Council's response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the Council's objectives.

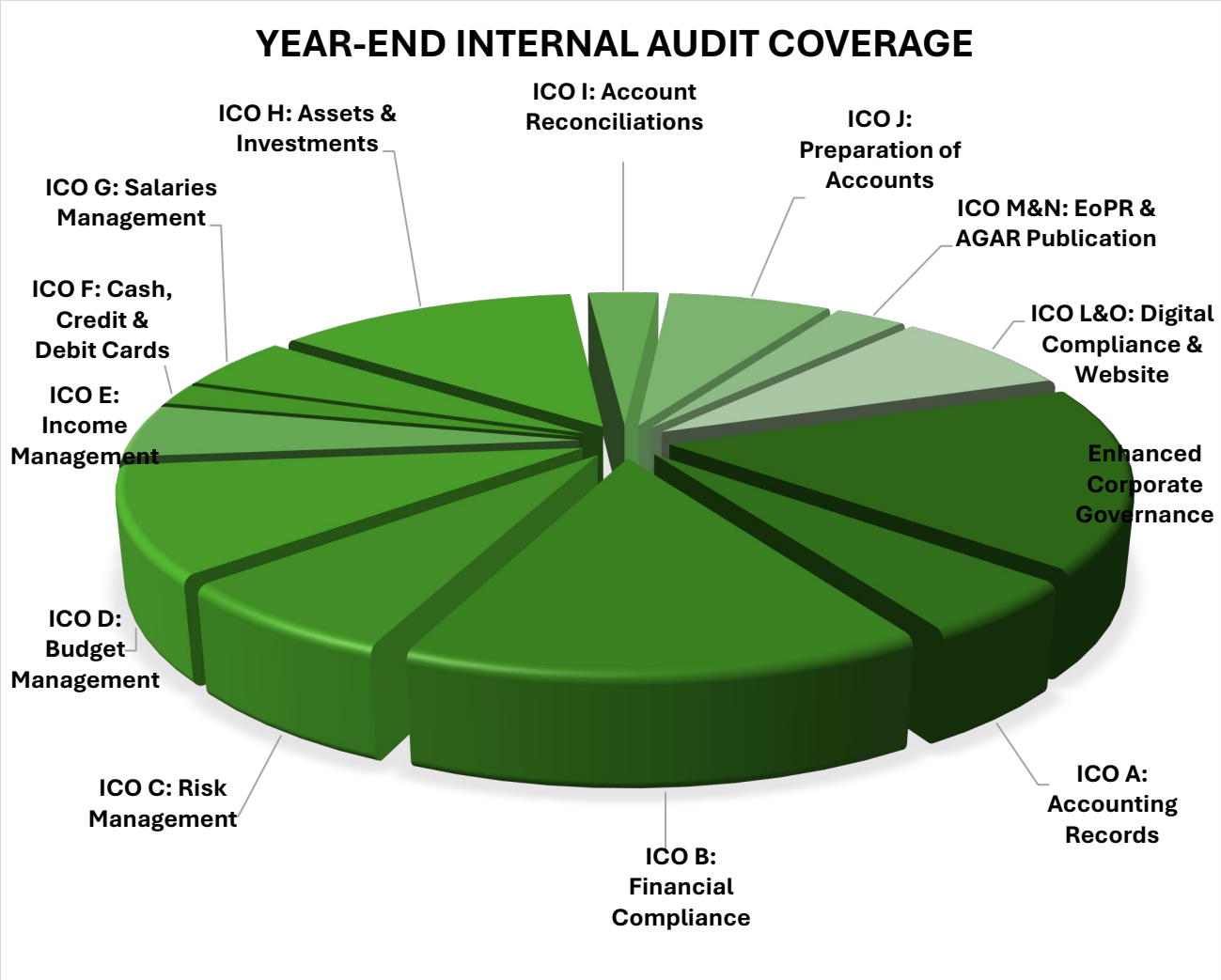
Internal audit coverage

The annual Internal Audit plan was prepared to take account of the unique characteristics and relative risks of Streatley Parish Council's activities and to support the preparation of the Annual Governance and Annual Statement of Accounts contained within the Annual Return.

Assurance reviews in seventeen areas have been planned and performed to obtain sufficient information and explanation considered necessary to give reasonable assurance that the Council's Internal Controls systems are functioning effectively. The Internal Audit plan for the 2025-26 financial year was approved in consultation with the Council's Clerk & Responsible Finance Officer (RFO) and was informed by our own assessment of risk and materiality.

The plan will be modified in future years, in consultation with the Clerk & RFO and Council Members to ensure it is aligned to the objectives of, and key risks facing the Council.

WGW online has provided assurance across seventeen areas of review, which correspond to the sixteen Internal Control objectives contained within the Annual Governance & Accountability Return: Annual Internal Audit Report, and an enhanced review of Corporate Governance during the 2025-26 financial year to the 31st of March 2026.



Internal Audit opinion

The Practice Manager of WGW online is responsible for the delivery of an interim and annual Internal Audit opinion and report that may be used by the Council to inform its Governance and Accounting statements in the Annual Return. The year-end opinion, based on our review conducted remotely, with the assistance of the Clerk & Responsible Finance Officer, remotely on the 24th of April 2026, examined the overall adequacy and effectiveness of the organisation's framework of governance, risk management and Internal Controls.

In giving this opinion, assurance can never be absolute and therefore, only reasonable assurance may be provided that there are no major weaknesses in the processes reviewed. In assessing the level of assurance to be given, I have based my opinion on:

- The year-end audit work & reporting completed at our offices;
- The results of the follow up discussions conducted with the Clerk & RFO;
- The responses of the Council to prior year's internal audit report;
- The quality and performance of the Council's administrative function and the extent of compliance with the Standards defined in the Joint Panel on Accountability and Governance, Practitioner's Guide; and,
- The proportion of Streatley Parish Council's audit requirement that has been covered during the year-end review.

Internal audit opinion

I am satisfied that sufficient assurance work has been carried out to allow me to form a reasonable conclusion on the adequacy and effectiveness of Streatley Parish Council's Internal Control Ecosystem.

In my opinion, Streatley Parish Council's framework of governance, risk management and management control has 'Adequate Assurance' with internal controls working in practice.

Where weaknesses have been identified and/or Best Practice recommendations for improvement made, these are recorded in Section 9: 'Issues identified during the 2025-26 internal audit cycle' of this Internal Audit Report.

Council profile

Council name:	Streatley Parish Council
Address:	8 The Bull Meadow, Streatley, Berkshire RG8 9QD
Unitary authority:	West Berkshire Council, Market Street, Newbury, Berkshire RG14 5LD
Proper officer:	Miss Amy Louise Biggs
Responsible Finance Officer:	Miss Amy Louise Biggs
General Power of Competence:	The Council remains ineligible to adopt GPoC
Members:	The Council has a maximum of seven Members
Elected Members:	Four elected Members (No election as insufficient candidates)
Co-opted Members:	Three co-opted Members
Chairperson:	Councillor Mr Colin Smith
Vice-chairperson:	Councillor Mr Adrian Lockwood.
Members Register:	The Members Register is properly maintained. Hyperlinks to individual Members' Register entries are published in the Councillors profiles on the Council's official website. The Members details may be accessed by clicking here: Councillor Profiles (active 16.05.26)
Head of Electorate:	826 (Eight-hundred and twenty six)
Current precept:	£46,776 for the 2025-26 financial year
External Auditor's report:	The Council received a 'Qualified' External Auditor's opinion for the 2025-26 financial year.
Official website:	The Council maintains a free to access website on a secure server, published at www.streatley.org

Corporate governance

The objective in this area of review is to ensure that the Council has robust corporate governance arrangements in place, and that, as far as we may reasonably be expected to ascertain (as we do not attend Council or Committee meetings) all meetings are conducted in accordance with the adopted Standing Orders and no actions of a potentially unlawful nature have been or are being considered for implementation.

To meet the above objectives, we have:

- Noted that the Financial Regulations were last formally Readopted at the 11th of March 2024 meeting of the Parish Council under Minute reference 24/39(e). The Standing Orders remained under review, but were not readopted during the 2025-26 financial year;
- Noted that the Standing Orders were last Reviewed and formally Readopted during the 11th of March 2024 meeting of the Parish Council under Minute reference 24/39(c). The Standing Orders remained under review, but were not readopted during the 2025-26 financial year;
- Noted that the Council remains ineligible to adopt the General Power of Competence;
- Conducted our review of the Agenda and Minutes of Full Council (no committees) excluding Planning, for the full year ensuring that no issues affecting the Council's financial stability either in the short, medium or long term exist. We have noted that the Minutes were of an overall adequate quality;
- Noted that the Council continues to develop its portfolio of Policy Documents:

Statutory Documents

- Standing Orders – 2024
- Financial Regulations – 2024
- Councillors Code of Conduct – 2024

Statutory Documents

- Biodiversity Policy 2024
- Business Continuity 2024
- Crime & Disorder Policy 2024
- Data Retention Policy 2024
- Equal Opportunities Policy 2024
- Financial Reserves Policy 2024
- Grants & Donation Policy 2024
- IT Policy 2026
- Lone Worker 2024
- Petitions Policy 2024
- Playground Management Policy 2024
- Vexatious Complaints Policy 2024

- Noted that the Council does not hold a currently adopted Social Media & Electronic Communications Policy;
- Noted that the Council was not exempt from Limited Assurance Review in the 2024-25 financial year and is not exempt in the 2025-26 financial year;
- Noted that the Council is not obliged to comply with the Transparency Code as its turnover is in excess of £25,000;
- Noted that the Council correctly published the Notice for the Exercise of Public Rights for the 2024-25 financial year;
- Noted that the Council correctly published the Notice of Conclusion of Audit;

- Noted that the Council received a 'Qualified' External Auditor's opinion (PKF Littlejohn) for the 2025-26 financial year due to Section 1, Assertion 5. having been incorrectly completed:

  "Information received from the smaller authority highlights that risk management arrangements were not reviewed and approved by the authority as a whole during the year. As a result, this assertion should have been answered 'No'. This is consistent with the Internal Auditor's response to Internal Control Objective C.

- *Information has come to our attention from the internal auditor highlighting the fact external auditor report and certificate were not published on the authority's website by the dates specified in the Accounts and Audit Regulations 2015."* and,
- Noted that the Clerk & RFO properly maintains the Members Register of Interests. Additionally, a hyper-link to each Councillor's Register of Interests may be found on their information and portfolio page.

Conclusions & recommendation

Social Media & Electronic Communications

We have noted the significant improvements in the Council's approach to Corporate Governance during the 2025-26 financial year and the considerable time and effort taken to achieve these. As ever, further improvements may be made:

During the 2025-26 audit cycle 'Assertion 10', Internal Control Objective 'O' on the AGAR Annual Internal Audit report has been introduced, relating to the management by Councils of their digital ecosystem. As such it is considered Best Practice for Councils to draft and adopt a Social Media & Electronic Communications policy as, whether or not a Council avails itself of Social Media Communications using a third party platform such as Facebook, Instagram, X etc., Council Members do use social media privately and do send electronic communications using their official email addresses.

R.1 The Clerk & RFO should draft a Social Media & Electronic Communications Policy for Council Members' scrutiny, onward Approval and Adoption.

Outcome - Corporate Governance

Substantial Assurance:

Year-end Independent Internal Audit

Internal control objective 'A'

'Appropriate accounting records have been properly kept throughout the financial year.'

The objective in this area of review is to ensure that the accounting records are being maintained accurately and currently, and that no anomalous entries appear in the financial ledgers.

Finance systems

The Council continues to maintain its financial records using a single Microsoft Excel spreadsheet which is adequate given the low number of transactions annually. However, it remains our opinion that this is not a suitable vehicle to manage the Council's Financial Accounts. We are advised that the Council will acquire Making Tax Digital (MTD) enabled accounting software during the 2025-26 financial year.

To meet the above objectives, we have: -

- Checked and verified that the closing balance for the 2024-25 financial year was correctly brought forward as the opening balance of the 2025-26 financial year;
- Noted that sufficient columnar analysis was available to provide standardised financial reporting, with VAT recorded correctly;
- Noted that the position of the Clerk & RFO is held by a single person, therefore, a formal segregation of duties is not possible to implement; and,
- Checked and verified 100% of transactions on the Council's spreadsheet cashbooks for the 2025-26 financial year.

Bank and building society accounts

The Council retains the public funds under its management in three separate bank accounts, a current and two deposit accounts with Lloyds Bank PLC. The second deposit account is used exclusively as a reserve for the annual Torch Light event.

Investments

The Council holds a 365 day Fixed Term Investment with Lloyds Bank which was taken out on the 16th of February 2026.

Loans

The Clerk & RFO has Certified that as at the 31st of March 2026 the Council has a single loan with the United Kingdom Debt Management Office, previously known as the public Works Loans Board (PWLB), under reference number PW498291.

Two repayments of principal and interest are made annually. During the 2025-26 financial year the payments were remitted in the amount of £4,977.75 in May and November 2025.

The outstanding balance of the loan, as at the 31st of March 2026, was £154,661.69.

The Clerk & RFO has Certified that during the financial year from the 1st of April 2025 to the 31st of March 2026, the Council has let no loan to any third party.

Credit and Debit cards

The Clerk & RFO has Certified that during the period of the 01st of April 2025 to the 31st of March 2026 the Council held no credit or debit card facilities against its bank accounts.

Conclusion

There were no matters arising from this area of review warranting formal comment or recommendation.

Outcome - Internal Control Objective 'A'

Substantial Assurance:

Internal 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.'

The objective in this area of review is to ensure that Council resources are released in accordance with the Council's adopted Standing Orders, Financial Regulations, budgets and other approved procedures, that payments are supported by appropriate documentation, either in the form of an original trade invoice or other appropriate form of document confirming the payment as due and/or an acknowledgement of receipt, where no other form of invoice is available, that correct analysis codes have been applied to invoices when processed, and that VAT has been appropriately identified and coded to the control account for periodic recovery.

To meet the above objectives, we have: -

- Noted that the Council has not had any requirement to enter into a formal tender process during the period of the 1st of April 2025 to the 31st of March 2026;
- Checked and verified that all quotations undertaken during the period of the 1st of April 2025 to the 31st of March 2026 were compliant with the Council's currently adopted Financial Regulations;
- Noted that due to the relatively low number of transactions, no Purchase Order system is in place, with significant orders being placed by the Clerk & RFO via email;
- Conducted 100% transaction testing including all inter-bank transfers for the 2025-26 financial year;
- Conducted a payment document review process for the 2025-26 financial year, to ensure compliance with currently adopted Financial Regulations and the requirements of the Smaller Authorities Proper Practices Panel (SAPPP) Practitioners Guide. We have reviewed all non-payroll related documents with a value in excess of £500 and every 10th payment irrespective of value. Twenty-one (26) payments were reviewed with a total value of £44,624.31 , representing 81% of all non-payroll related expenditure;
- Noted that the Clerk & RFO validates invoices and other payment documents upon receipt, records the details in the spreadsheet cashbook, then creates a Schedule of Payments which is presented to Members at Full Council, with the corresponding payment documents for their scrutiny and approval as recorded in the Council's Minutes. Upon approval, the Clerk & RFO loads the payments onto the Lloyds Bank online system for authorisation by nominated Council Members; and,
- Noted that VAT has been properly recorded in the Council's spreadsheet cashbook;
- Checked and verified the Council's year-end s.126 VAT reclaim to the 31st of March 2026, in the amount of £3,917.65 which has been submitted to HMRC.

Conclusion

There are no matters arising from this area or review warranting formal comment or recommendation.

Outcome - Internal Control Objective 'B'

Substantial Assurance

Internal control objective 'C'

'The authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.'

The objective in this area of review is to ensure that the Council has put in place appropriate arrangements to identify all potential areas of risk of both a financial and health and safety nature. We also aim to ensure that appropriate arrangements exist to monitor and manage those risks to minimise the opportunity for their coming to fruition.

To meet the above objectives, we have: -

- Noted that the Council maintains a combined Business & Health and Safety Risk Register Microsoft Word. The Register was last formally adopted during the meeting of the 09th of June 2025 Parish Council meeting under Minute reference 25/079(ii);
- Examined the Council's insurance policy to ensure that appropriate cover is in place: Cover is provided by Clear Insurance Management Ltd under Clear Council policy, number Policy number LCO02010 with the period of cover running continuously from the 01st of June 2025 to the 31st of May 2026.

  Key features of the Cover provided are as follows:

  - Employers Liability £10 million
  - Public & Products Liability £10 million
  - Trustees & Management Liability £500 thousand
  - Fidelity Guarantee £250 thousand
  - Libel & Slander £250 thousand
  - Legal Expenses £250 thousand
  - Goods in Transit £30 thousand
  - Reputational Risk £25 thousand
  - Personal Accident £10 thousand

  We consider this level of cover appropriate for the Council's ongoing requirements; and,

- The Council is responsible for a single children's playground on the Recreation Ground off Wallingford Road;
- The Council has a currently Adopted Playground Management Policy;
- We are advised by the Clerk & RFO that Members undertake regular checks of the Children's playground and equipment, which is confirmed by the Council's Approved and Published Minutes;
- The result of the inspection is recorded in proper playground inspection forms which are submitted to the Clerk & RFO for escalation where required, and retention;
- Noted that all playground defects that have been identified are reviewed and actioned at meetings of the Parish Council in a reasonable and proportionate manner;
- We have noted that the annual independent playground inspection continues to be undertaken by RoSPA Play Safety Ltd then submitted to the Clerk & RFO and Members with recommendations for remedial works to be undertaken;

- The playground inspection reports are retained for the statutorily required twenty-one years (eighteen plus three years); and,
- Finally, in this area of our review we note that the Clerk maintains a statement of Internal Control policy so that should the Clerk & RFO be absent for a protracted period, Finance Operations cover could be provided by referring to this document.

Conclusion

There are no matters arising from this area of review warranting formal comment or recommendation.

Outcome - Internal Control Objective 'C'

Substantial Assurance

Internal 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.'

The objective in this area of review is to ensure that the Council has determined its annual budget based on sound assumptions of intended spending, that reasonable and proportionate funding is available to meet future spending plans, and that Members are kept aware of actual budgetary performance during the course of the financial year. We also seek to assess the adequacy of retained reserves, be they in respect of specific earmarked funds or the General Fund.

To meet the above objectives, we have:

- We note from or review of the Council's Minutes that Members are recorded as receiving a copy of the Council's Income & Expenditure accounts on a monthly basis;
- We note from our review of the Council's Minutes that Members are recording as receiving a monthly reconciliation statement for all the Council's bank accounts;
- We note from our review of the Council's Minutes that Members receive regular budgetary reports each quarter, and monthly draft budget reports during the Budget setting & Precept determination process;
- We note that the Clerk & RFO and Members have undertaken a detailed and robust Budget setting and Precept determination process. The Clerk & RFO creates a draft budget report, generated from the Council's spreadsheet cashbook, and several iterations of the draft budget are produced. The final draft is Resolved after full Scrutiny and Approval at the January meeting of the Full Parish Council;
- We note that at the 09th of February 2026 meeting of the Parish Council under Minute reference 26/021(vi) Members Resolved the 2026-27 Budget & Precept in the amount of £49,116, representing a 5% increase on the prior year Precept;
- Noted that the Council maintained twelve (12) formally constituted earmarked reserves during the 2025-26 financial year with three of those fully depleted as at the 31st of March 2026 leaving nine (9) active earmarked reserves with a total value of £40,121.38;
- Noted that the year-end outturn as at the 31st of March 2026 was as follows:

Lloyds Bank Treasurers Account	£10,424.43
Lloyds Bank 30 day Deposit Account	£21,405.10
Lloyds Bank Deposit Account (Torchlight)	£ .48
Lloyds Fixed Term	£30,000.00
Total cash at bank	**£61,830.01**
Earmarked Reserves	£14,968.42
General Reserve as at 31.03.26	**£21,708.63**
Total FY2025-26 expenditure	**£63,870.13**
Average Monthly expenditure	**£ 5,322.51**
Level of Retained General Reserves in months	**4.0786**

The level of the Council's General Reserve as at the 31st of March 2026 is approximately four (4) months retained reserve at the average prior year monthly rate of expenditure. The Chartered Institute of Public Finance & Accountancy (CiPFA) recommends that Councils of Streatley Parish Council profile retain between three and six months General Reserve based on the average prior year monthly rate of expenditure. The Council's Reserves sit comfortably within this range; and,

- We have checked & verified the content of the FY2025-26 Variance Report to be submitted to the External Auditors noting that no further investigation or explanation is required.

Conclusion & Recommendation

During our prior-year FY2024-25 detailed internal audit report we made several recommendations concerning the management of Earmarked Reserves which are required to be properly managed with all net in-year transfers being properly recorded.

To ensure that Earmarked Reserved are properly managed, an understanding of the purpose and function of earmarked reserves is required. It should be noted that is particularly challenging to manage earmarked reserves when using a spreadsheet as a finance system. This matter should be resolved with the Council's acquisition of formal sector specific accounting software during the 2026-27 financial year and therefore we have made no further recommendations.

In our prior-year report we made the recommendation that the 'Covid float' Earmarked Reserves, in the amount of £500.00 should be returned to the General Reserve. This has not been implemented therefore we make that recommendation again.

We have provided the Clerk & RFO with a brief Topic note on the subject of Earmarked Reserves and their proper use under separate cover.

R.2 The Earmarked Reserve 'Covid float' is not appropriate and should be returned to the General Reserve.

Outcome - Internal Control Objective 'D'

Adequate Assurance

Internal control objective 'E'

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

The objective in this area of review is to ensure that the Council maintains appropriate records to ensure that all income due to the Council is identified, invoiced accordingly, and recovered within an appropriate time scale.

To meet the above objectives, we have: -

Noted that in addition to the Precept, in the amount of £46,776.00, the Council receives supplementary income from a relatively limited variety of sources including CIL funds, the Torchlight Event, occasional grants and donations, VAT Reclaims and Bank Interest.

The Council offered no chargeable services during the 2025-26 financial year.

CIL Funds

The Council received CIL fund income, in the amount of £10,624.34, during the 2025-26 financial year.

Community Events

The Council received Community Event income, in the amount of £9,915.59, during the 2025-26 financial year.

Recreation Ground

The Council received Recreation Ground income, in the amount of £4,650.00, during the 2025-26 financial year.

VAT Reclaims

The Council submitted four quarterly s.126 VAT Reclaims during the 2025-26 financial year as follows:

Q1 s.126 VAT Reclaim - £ 436.25

Q2 s.126 VAT Reclaim - £ 791.25

Q3 s.126 VAT Reclaim - £ 325.41

Q4 s.126 VAT Reclaim - £3,917.65

The total of VAT reclaimed in the 2025-26 financial year was, in the amount of £3,377.14, including the Q4 2024-25 financial year reclaim.

Donations

The Council received Donations, in the amount of £1,370.00, during the 2025-26 financial year.

Allotments

The Council received Allotment income, in the amount of £426.00, during the 2025-26 financial year.

Bank Interest

The Council received interest on its Lloyds bank deposit account, in the amount of £392.21, during the 2025-26 financial year.

Miscellaneous

The Council received miscellaneous income, in the amount of £3.00, during the 2025-26 financial year.

Conclusion

There are no matters arising from this area of review warranting formal comment or recommendation.

Outcome - Internal Control Objective 'E'

Substantial Assurance

Internal control objective 'F'

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

The objective in this area of review is to ensure that the Council manages its Petty Cash system(s) in accordance with its adopted Financial Regulations, that items purchased are suitable for the Council's use, transactions are correctly recorded in the Council's cashbooks, that VAT is identified for recovery where appropriate and that the Petty Cash account is reconciled on an appropriate basis.

The Council does not operate a Petty Cash System, with all incidental payments being made via the Council's issued Debit Card.

The Council does not accept cash payments

Conclusion

There were no matters arising from this area of review warranting formal comment or recommendation.

Outcome - Internal Control Objective 'F'

Not Applicable

Internal 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 objective in this area of review is to ensure that the Council is appropriately observing legislation with regard to the Employee Rights Act 1998 and the requirements of HMRC legislation as regards the deduction and payment of income tax and NI contributions, together with meeting the requirements of the LGPS.

To meet the above objectives, we have: -

- Noted that during the 2025-26 financial year from the 01st of April 2025 to the 31st of March 2026 the Council retained a single employee; the Clerk & RFO;
- Noted that the Clerk & RFO's terms and conditions of employment and job description are recorded within a contract of employment which records that her remuneration is on the basis of the NJC SCP pay grade system;
- Noted that the Clerk & RFO is contracted on the basis of NJC SCP10 which from the 1st of April 2025 was established at £14.35 per hour on the basis of a 12.5 week with no variable pay. However, the Clerk & RFO was paid at the FY2024-25 rate of £13.28;
- Noted that the Council's payroll is managed in-house using the HMRC freeware PAYE Tools;
- Reviewed the Council's payroll for the 2025-26 financial year with no matters arising;
- Checked & Verified that the PAYE and NI deductions had been properly recorded in the Council's spreadsheet cashbook;
- Noted that we can find no record in the spreadsheet cashbook of the Employer's National Insurance Contributions of £45.35 per month (£544.20 per annum) having been paid to HMRC;
- Noted that the Council does not currently operate a Pension Scheme; and,
- Checked & verified that only direct salary costs and corresponding deductions appear in Box 4 'Staff Costs' of the 2025-26 financial year Annual Return.

Conclusion and recommendations

As recorded above, we have noted that the Clerk & RFO's contract of employment states that her salary is calculated against the local government in England and Wales based on Spinal Column Points (SCPs). This is reviewed on an annual basis with any increase in pay backdated to the 01st of April each year. During the 2025-26 financial year the Clerk & RFO was remunerated against the 2024-25 financial year paygrade and did not receive the National Pay Award. This has resulted in an underpayment of £694.90.

R.3 The Clerk & RFO's remuneration should be reviewed immediately with any shortfall in payment, up to the current date, made in the next available payroll.

R.4 The Clerk & RFO should advise Council Members of the Nationally Agreed Pay award as soon as possible upon receipt of the advice from NALC.

The Council is required to remit National Insurance contributions to HMRC on a monthly or quarterly basis dependent on the agreement in place with HMRC. We note that we can find no evidence in the Council's spreadsheet cashbook of the remittance of the Council's Employer's NI Contributions to HMRC during the 2025-26.

R.5 The Clerk & RFO and Members should review this situation expediently, and if the Employer's NI Contributions for the 2025-26 financial year have not been remitted to HMRC, this should be undertaken immediately.

Outcome - Internal Control Objective 'G'

Limited Assurance

Internal control objective 'H'

'Assets and investments registers were complete and accurate and properly maintained.'

The objective in this area of review is to ensure that the Council has prepared and maintains a register of its stock of land, buildings, vehicles, furniture and equipment as required by the Smaller Authorities' Proper Practices Panel (SAPPP) Practitioners' Guide.

The Council maintains its Fixed Asset Register in a Microsoft Excel spreadsheet. The spreadsheet is compliant with the requirements of the SAPPP Practitioners Guide 2025 and its predecessor the JPAG Practitioners Guide 2024.

Without conducting a physical examination of the Council's Assets, we are reliant on the Clerk & RFO's and the Chairman of the Finance Committee's assertion as to the accuracy of information contained in the Register. The Fixed Asset Register, as amended, which was supplied for the year-end internal audit records a Fixed Asset Value of £326,175.52 in accordance with in-year acquisitions and disposals.

Declared Fixed Asset Register value as at 31.03.26

Declared AGAR CB 31.03.25	£312,271.28
In-year acquisitions	£13,515.24
In-year disposals	-£0.00
Agreed AGAR CB 31.03.26	**£326,175.52**

Conclusion

There were no matters arising from this area of review warranting formal comment or recommendation.

Outcome - Internal Control Objective 'H'

Substantial Assurance

Internal control objective 'I'

'Periodic bank account reconciliations were properly carried out during the year.'

The objective in this area of review is to ensure that the Council conducts regular reconciliations of the bank, building society and other investment accounts in which it maintains the public funds raised by taxation. That these reconciliations along with the corresponding account statements are presented to Members for their scrutiny and approval with that being recorded in the Minutes of the Full Council or its Committees.

To meet the above objectives, we have:

- Noted that the Clerk & RFO reconciles all the Council's financial accounts on a monthly basis;
- Checked and verified the Bank Reconciliations on the Council's three Lloyds Bank Accounts for the 2025-26 financial year from the 01st of April 2025 to the 31st of March 2026 with no matters arising; and,
- Noted that the monthly bank reconciliation statements are presented at each monthly meeting of the Parish Council and their scrutiny and approval properly recorded in the Council's Minutes.

Conclusion

There are no matters arising from this area of review warranting formal comment or recommendation.

Outcome - Internal Control Objective 'I'

Substantial Assurance

Internal 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 cashbook, supported by an adequate audit trail from underlying records & where appropriate debtors and creditors were properly recorded.'

Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments), agreed to the cashbook, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.'

The Council's accounts are managed in a single Microsoft Excel spreadsheet cashbook, with separate Spreadsheets produced for Reconciliation statements, Fixed Asset Register and Budget vs Actual analysis. We have examined and consider the combined spreadsheets reflect the full-year's transactions as recorded therein.

The spreadsheets have been used to manage the following working records, which have all been checked and verified from the 01st of April 2025 to the 31st of March 2026 with reference to prime documentation:

Financial records
Microsoft Excel spreadsheets

- Spreadsheet cashbook (R&P)
- Budget Vs Actual spreadsheet
- Monthly Bank reconciliations spreadsheet
- Annual S.137 report spreadsheet
- Annual VAT reclaim spreadsheet
- Fixed Asset Register spreadsheet
- Year-end Reserves reconciliation
- Year-end Investments reconciliation
- Variance Report
- Accounting Statements

We have checked and verified the Closing Balance for the 2024-25 financial year, as at the 31st of March 2025 against the Opening Trial Balance for the 2025-26 financial year as at the 01st of April 2025 ensuring that the cashbooks remained in balance, with no matters arising.

Further, we checked and verified (with the exception of the Fixed Asset Register as noted previously) all the spreadsheets contained in the Council's Financial Accounts workbook for the period of the 01st of April 2025 to the 31st of March 2026, with reference to the supporting prime documentation.

We have also checked and verified the Closing Balance declared on the spreadsheet cashbook as at the 31st of March 2026, against primary documentation, ensuring that the cashbooks remained in balance, with no matters arising. Finally, in this area of review, we have checked and verified the detail of the Annual Accounting statements with the exception of the declared Fixed Asset Register value.

Conclusion

There are no matters arising from this area of review warranting formal comment or recommendation.

Outcome - Internal Control Objective 'J'

Substantial Assurance

Internal 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").*'

The objective in this area of review is to ensure that the Council is to ensure that where a council has certified itself as exempt from a limited review in the prior financial year, it met with the exemption criteria to do so.

Streatley Parish Council has a turnover in excess of £25,000.00 and as such it does not meet the exemption criteria. The Council was subject to a limited assurance review of its 2024-25 Annual Governance and Accountability Return (AGAR) as required by statute.

Conclusion

There were no matters arising from this area of review warranting formal comment or recommendation.

Outcome - Internal Control Objective 'K'

Not Applicable

Internal control objective 'L'

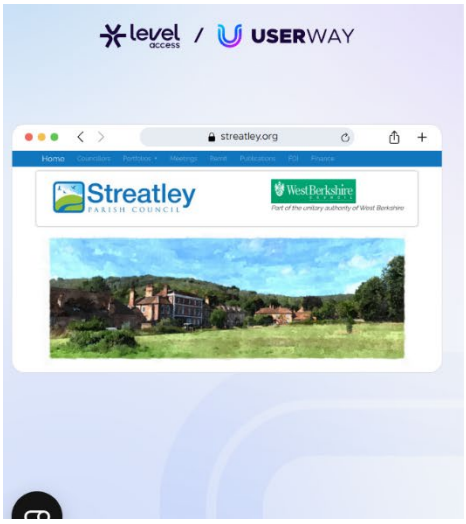
'The Authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation."

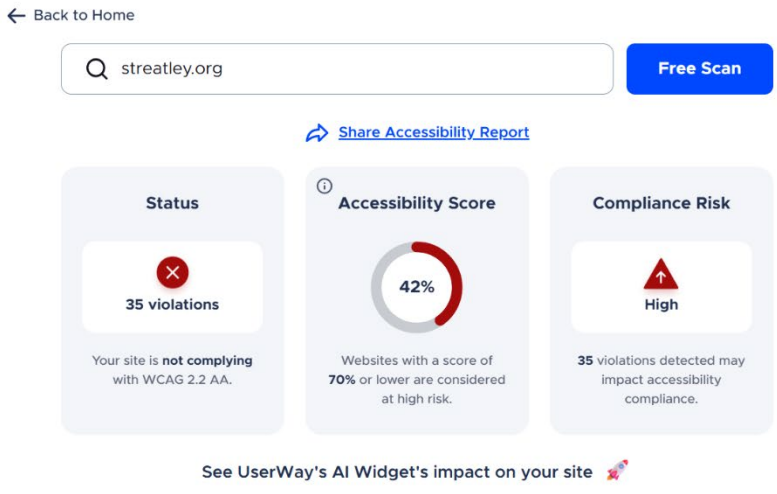
The objective in this area of review is to ensure that the Council has met its statutory requirements to publish all required documentation on its official website in accordance with the relevant legislation in place at the time of the audit.

The Council maintains its official website under the domain www.streatley.org, the following information is published thereon

- Agenda and Minutes
- The Parish Council's diary of meetings
- Profiles of the Parish Councillors with portfolio & hyperlinks to individual Registers of Interest
- AGAR, Accounting Statements and Audit documentation form 2020-21 to the present day
- Notice for the Exercise of Public Rights 2020-21 to the present day
- Notice of Conclusion of Audit 2020-21 to the present day
- Standing Orders & Financial Regulations & policy documents
- Information about the Council's assets
- Planning Applications
- Youth & recreation information
- Local information

We have noted, however, that the Council's official website is not compliant with the current WCAG 2.2AA Accessibility Legislation, with 35 non-compliances identified:





Conclusion & Recommendation

We have noted that the Council has acted on our prior year recommendation and has ensured that all the required Annual Governance & Accountability Return information is published on its official

website. We also understand that the Council's official website is due to be developed during the 2026-27 financial year.

The new Assertion 10 requires that a council has complied with laws, regulations and proper practices relating to digital and data compliance. This includes website Accessibility legislation, the latest version of which is WCAG 2.2AA which was enacted in 2023. The Council's official website is not compliant with this legislation we have therefor recorded a negative assertion against Internal Control Objective 'L'.

R.6 The Council's official website must be redeveloped to comply with current Accessibility Legislation, as amended from time to time, and maintain full compliance.

Outcome - Internal Control Objective 'L'

No Assurance

Internal 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 2024-25 AGAR period, were public rights in relation to the 2024-25 AGAR evidenced by a notice on the website and/or authority approve minutes confirming the dates set).'*

The objective in this area of review is to ensure that the Council has met its statutory requirements to establish and publish the Notice for the Exercise of Public Rights properly, and for the correct period of time.

The Clerk & RFO has certified that Streatley Parish Council posted the Notice for the Exercise of Public rights for the 2024-25 financial year AGAR and Accounts on the Council's noticeboards and website.

We have noted that the Notice for the Exercise of Public Rights was Resolved during the 09th of June 2025 Parish Council meeting under Minute reference 25/78 as being the 24th of June to the 4th of August 2025. However, the published notice is recorded as the 30th of June to the 8th of August 2025. We are not aware of the reason for the delay in the publication of the Notice for the Exercise of Public Rights as Resolved in the Council's Approved and Published Minutes.

NOTICE OF THE PERIOD OF THE EXERCISE OF PUBLIC RIGHTS FY2025-26

- Date of Announcement : Not recorded
- Commencement date : Monday 30th of June 2025
- Conclusion date : Friday 08th of August 2025

The period for the Exercise of Public Rights was published for the statutorily required period of thirty (30) working days, including the first ten (10) working days in July, however, the Resolution Approved at Full Council was not for the correct period.

Conclusions

There are no matters arising from this area of review warranting formal comment or recommendation. We take this opportunity to remind the Clerk & RFO and Members that when an item of business that has been Resolved any amendment to that Resolution must also be recorded in the Council's Approved and Published Minutes.

Outcome - Internal Control Objective 'M'

Adequate Assurance

Internal control objective 'N'

'the authority has complied with the publication requirements for the 2024/5 AGAR *(see AGAR Page 1 Guidance Notes).'*

The objective in this area of review is to ensure that the Council has met its statutory requirements to publish the Notice of Conclusion of Audit, the Annual Governance and Accountability Return (AGAR) including the Annual Independent Internal Audit report on its official website and its Noticeboards where such are in place.

To meet the above objectives, we have:

- Noted that the Council received an 'Qualified' External Auditor's report and certificate, in respect of the 2024-25 financial year, from PKF Littlejohn LLP dated the 22nd of September 2025;
- Noted that the Announcement of the Notice of Conclusion of Audit was made on the 25th of September 2025, by the Clerk & RFO;
- Noted that the AGAR, External Auditor's Certificate and report and the Notice of Conclusion of Audit for the 2024-25 financial year are published on the Council's official website; and,
- Checked and verified with the Clerk & RFO that the Notice of Conclusion of Audit for the 2024-25 financial year was published prominently on the Council's Noticeboards.

Conclusion

There were no matters arising from this area of review warranting formal comment or recommendation.

Outcome - Internal Control Objective 'N'

Substantial Assurance

Internal control objective 'O'

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

The objective in this area of review is to ensure compliance with data protection regulations for, smaller authorities: That the Council has appointed a Data Protection officer to oversee data protection and ensure compliance with GDPR, to conduct regular data audits to identify what personal data is held, how it is used and make sure it is processed lawfully, to implement a Data Protection policy on data handling, storage and sharing, to provide regular training to ensure all staff and members are trained on data protection principles and practices and to ensure that the Council's data is secured using appropriate technical and organisational measures to protect personal data from breaches.

To meet the above objectives, we have:

- Noted that the Council is registered as a Data Registrant with the Information Commissioner's Office (ICO), Registration Reference ZA897243;
- Noted that the Clerk & RFO is the Council's nominated Data Protection Officer;
- Noted that the Council has Adopted and Published a Freedom of Information and Publication scheme, with a specific menu which takes visitors to an explanation of the Council's Publication Scheme based on the ICO Model document, which is now mandatorily required;
- Noted that all Councillors are issued with 'name@streatley.org e-mail addresses for exclusive use on Council business;
- Noted that the Council demonstrates a basic suite of currently adopted Data Protection Policies which are published on the Council's official website;
- Noted that the Clerk & RFO has not conducted Data Impact assessment during the 2025-26 financial year;
- Noted that the Council has a currently Adopted Freedom of Information (FOI) Policy;
- Noted that the Council was not in receipt of any FOI request during the 2025-26 financial year;
- Noted that the Council has a single laptop computer, running the Microsoft Windows 11 operating system and Microsoft Office;
- Noted that the Parish Council has appropriate Anti-Virus software in place; and,
- Noted that the Council's documents are backed up in near real-time to its Microsoft Cloud 'OneDrive'.

There is clear evidence of a reasonable and proportionate approach to the Council's Cyber Security.

Conclusion

There were no matters arising from this area of review warranting formal comment or recommendation.

Outcome - Internal Control Objective 'O'

Substantial Assurance

Internal control objective 'P'

'Trust Funds (Including charitable) – The council met its responsibilities as a trustee.'

The objective in this area of review is to ensure that the Council has met its statutory requirements where it acts as a trustee for any trust fund or charitable trust, including maintaining separate financial and bank accounts and making all required statutory returns to the Charities Commission and/or the HMRC.

- The Clerk & RFO has certified that Streatley Parish Council is not responsible for any Trust Fund or Charitable Trust and has no responsibilities as a trustee for any organisation.

Conclusion

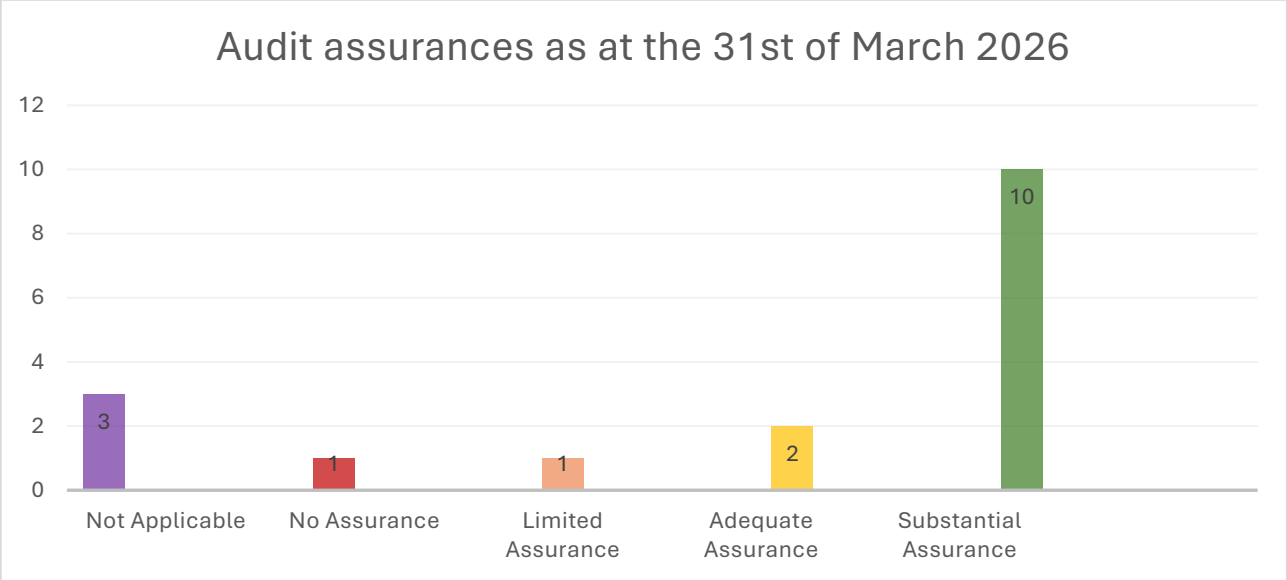
There were no matters arising from this area of review warranting formal comment or recommendation.

Outcome - Internal Control Objective 'P'

Not Applicable

Assurance review

During the year-end internal audit for the 2025-26 financial year, we have undertaken 472 separate audit tests, providing seventeen separate assurances in the sixteen areas of review which correspond to the Internal Control Objectives contained within the Annual Governance & Accountability Return: Annual Internal Audit Report and an enhanced review of Corporate Governance as detailed in the chart below.



Substantial: A sound framework of internal control is in place and operating effectively. No risks to the achievement of system objectives have been identified;

Adequate: Basically, a sound framework of internal control with opportunities to improve controls and / or compliance with the control framework. No significant risks to the achievement of system objectives have been identified;

Limited: Significant weakness(es) have been identified in the framework of internal control and / or compliance with the control framework which could place the achievement of system objectives at risk; or

No: Fundamental weaknesses identified in the framework of internal control, or the framework is ineffective or absent with significant risk to the achievement of system objectives.

Not Applicable: The Council does not utilise the process which is audited under this control objective. Therefore, a finding of 'not applicable' will be recorded.

FY2025-26 Action Plan

Conclusion & recommendation – Corporate Governance	
Social Media & Electronic Communications During the 2025-26 audit cycle 'Assertion 10', Internal Control Objective 'O' on the AGAR Annual Internal Audit report has been introduced, relating to the management by Councils of their digital ecosystem. As such it is considered Best Practice for Councils to draft and adopt a Social Media & Electronic Communications policy as, whether or not a Council avails itself of Social Media Communications using a third party platform such as Facebook, Instagram, X etc., Council Members do use social media privately and do send electronic communications using their official email addresses. R.1 The Clerk & RFO should draft a Social Media & Electronic Communications Policy for Council Members' scrutiny, onward Approval and Adoption.	**Comments**
Conclusion & recommendation - ICO 'D'	
During our prior-year FY2024-25 detailed internal audit report we mad several recommendations concerning the management of Earmarked Reserves which are required to be properly managed with all net in-year transfers being properly recorded. To ensure that Earmarked Reserved are properly managed, an understanding of the purpose and function of earmarked reserves is required. It should be noted that is particularly challenging to manage earmarked reserves when using a spreadsheet as a finance system. This matter should be resolved with the Council's acquisition of formal sector specific accounting software during the 2026-27 financial year and therefore we have made no further recommendations. In our prior-year report we made the recommendation that the 'Covid float' Earmarked Reserves, in the amount of £500.00 should be returned to the General Reserve. This has not been implemented therefore we make that recommendation again. We have provided the Clerk & RFO with a brief Topic note on the subject of Earmarked Reserves and their proper use under separate cover. R.2 The Earmarked Reserve 'Covid float' is not appropriate and should be returned to the General Reserve.	**Comments**
Conclusion & recommendation - ICO 'G'	
Conclusion and recommendations	**Comments**

As recorded above, we have noted that the Clerk & RFO's contract of employment states that her salary is calculated against the local government in England and Wales based on Spinal Column Points (SCPs). This is reviewed on an annual basis with any increase in pay backdated to the 01st of April each year. During the 2024-25 financial year the Clerk & RFO was remunerated against the 2024-25 financial year paygrade and did not receive the National Pay Award. This has resulted in an underpayment of £694.90. R.3 The Clerk & RFO's remuneration should be reviewed immediately with any shortfall in payment, up to the current date, made in the next available payroll. R.4 The Clerk & RFO should advise Council Members of the Nationally Agreed Pay award as soon as possible upon receipt of the advice from NALC. The Council is required to remit National Insurance contributions to HMRC on a monthly or quarterly basis dependent on the agreement in place with HMRC. We note that we can find no evidence in the Council's spreadsheet cashbook of the remittance of the Council's Employer's NI Contributions to HMRC during the 2025-26. R.5 The Clerk & RFO and Members should review this situation expediently, and if the Employer's NI Contributions for the 2025-26 financial year have not been remitted to HMRC, this should be undertaken immediately.	
Conclusion & recommendation - ICO 'L'	
The new Assertion 10 requires that a council has complied with laws, regulations and proper practices relating to digital and data compliance. This includes website Accessibility legislation, the latest version of which is WCAG 2.2AA which was enacted in 2023. The Council's official website is not compliant with this legislation we have therefor recorded a negative assertion against Internal Control Objective 'L'. R.6 The Council's official website must be redeveloped to comply with current Accessibility Legislation, as amended from time to time, and maintain full compliance.	**Comments**

Confirmation of independence and Quality Assurance

During the 2025-26 financial year to the 31st of March 2026, we confirm that the internal auditor has acted independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation, based upon the internal audit programme, and has obtained appropriate evidence including copies of prime documentation to support our opinions from Streatley Parish Council

The year-end audit for the 2025-26 financial year, conducted remotely on the 24th of April 2025 with further work being undertaken on the 14th & 15th of May, was carried out in accordance with Streatley Parish Council's needs and planned coverage as reviewed with the Clerk & RFO Miss Amy Biggs.

Based on the findings in the areas examined, the internal audit conclusions are summarised in the main body of this report, which corresponds to the Internal Control Objectives table contained within the FY2025-26 AGAR's Annual Independent Internal Audit Report, which has been duly authorised.

Internal Audit Performance

The following performance indicators are maintained to monitor effective service delivery & quality:

Annual performance indicators			
Aspect of service	**Interim 2025-26 (Actual %)**		**YE 2025-26 (Actual %)**
Internal Audit plan delivered	N/A	→	100%
Positive customer responses to quality appraisal questionnaire			To be issued
Compliant with the Public Sector Internal Audit Standards	N/A	↔	100%

Acknowledgements

We would like to take this opportunity to thank the Clerk & RFO and the Chairman for their assistance in performing the Independent Internal Audit for the 2025-26 financial year. We are grateful for content and quality of the documentation and the responses that have been supplied to our supplementary questions.

We have made six recommendations for improvement based on our findings during the 2025-26 financial year internal audit. These are recorded in the main body of this report and the Action Plan.

We now ask that the Clerk & RFO and Council Members consider the content of this report and acknowledge, in due course, that the report has been formally reviewed and adopted by the Council.

C Lingard-McKay

Practice Manager