FINAL

Internal audit report 2025/26

Visit 1 of 1

# BERE REGIS PARISH COUNCIL

Date: 20th May 2026

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**Introduction**

This report contains a note of the audit recommendations made to Bere Regis Parish Council following the carrying out of internal audit testing on the 22nd April 2026.

The audit work has been carried out in accordance with Appendix 9 of the 2014 'Governance and Accountability for Local Councils: A Practitioners' Guide', as supplemented by the additional testing set out in later AIARs.

An internal audit covers the review of the operation of the Council's internal control environment. It is not designed to review and give full assurance over every transaction carried out by the Council. Instead it enables the auditor, following the sample testing of a number of different types of transaction, to give an opinion as to whether or not the control objectives are being achieved across a range of financial and governance systems.

**Audit Opinion**

The internal audit for 2025/26 has now been completed in accordance with the provisions of the Practitioners' Guide and the CIPFA code of internal audit practice. Based on the testing, all of the Council's current financial controls reviewed during the testing appear to be operating effectively with the exception of:

<u>Test K: Transparency</u>
As part of the testing on Transparency, I checked to see that the Council had published the ICO publication scheme on its website. The Council approved a model policy in 23/24, but I was unable to find it online. The Clerk confirmed a Councillor is dealing with the website and that none of the policies are currently on there, but that she will have them put back.

As a result I have responded 'no' to this test.

<u>Test O: Assertion 10 – Digital and Data Compliance</u>
During the year the requirements of the Council's Annual Governance Statement Assertions and of the Annual Internal Audit Report were expanded to include assurances and testing around Digital and Data. As a result, I have carried out new testing in this area. I found that whilst the Council is compliant in relation to some requirements, it had not carried out the following actions:
- The Clerk confirmed that website accessibility had been tested but there was no statement on the website;
- The authority has not carried out a full data audit of all data held;
- The authority has prepared a data protection policy but this was not reviewed at least once annually; and
- The authority is still working on its draft IT policy.

As a result, I have responded 'no' for this test.

**Audit Recommendations**

Recommendations made during the audit are shown on in appendix one to this report.

Recommendations are graded as follows:

| Rating | Significance |
|---|---|
| High | Either a critical business risk is not being adequately addressed or there is substantial non-conformity with regulations and accepted standards. |
| Medium | Either a key business risk is not being adequately addressed or there is a degree of non-conformity with regulations and accepted standards. |
| Low | Either minor non-conformity with procedure or opportunity to improve working practices further. |

The number of recommendations made at this audit visit and their priority are summarised in the following table:

| Rating | Number |
|---|---|
| High | 3 |
| Medium | 2 |
| Low | 6 |
| Information | 2 |
| TOTAL | 13 |

I would like to thank Amanda Crocker, Parish Clerk, for her assistance during this audit.

# Darkin Miller Chartered Accountants
# 2025/26 INTERNAL AUDIT OF BERE REGIS PARISH COUNCIL
# FINAL REPORT: 20th MAY 2026

## Appendix 1 – Recommendations and Action Plan

| Recommendation number | Detail | Priority (Low/ Medium/ High) | Management Response | Responsible Officer | Due Date |
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| 2.1 – Consider transfer of account holder name in order to recover VAT | I checked to see that VAT on payments had been identified, recorded and reclaimed. I noted that there was £125.89 of VAT in relation to the provision of 13 months of telephone and broadband costs claimed by the NeighbourCar co-ordinator. When this and the Lunch Club were set up, the telephone and broadband was set up in the co-ordinator's name. As the invoices are not in the name of the Council, VAT is not recovered.<br><br>I recommend that the Council considers whether it would be beneficial to transfer the account holder name in order to be able to recover the related VAT. | M | The NeighbourCar and Lunch Club schemes continue to be self-funding with the Parish Council keeping the bank account in check and providing insurance for the volunteers. No budget it given to either initiative. As it is self-funding, for the Parish Council to take over the telephone and broadband would blur the distinction. | RFO | |
| 2.2 – Ensure Council regulations and statutory requirements followed for procurements over £25k | I checked to see that items or services above a de minimis amount had been competitively tendered. During the year the Council obtained quotes in relation to the supply of a new play park. The quotes were significantly in excess of the tender threshold of £25k. At this threshold, there is also a statutory requirement for online advertising of tender opportunities via Contracts Finder and Find A Tender. As such, the Council is in breach of its own regulations as well as the wider statutory requirements for procurement.<br><br>I recommend that the Council ensures that a compliant process is followed prior to entering into a contract for the supply of goods or services in excess of the tender threshold. | H | At this point, the project is under review and it is likely that, rather than build the whole thing at once, it will be broken down to individual parts. Once a way forward is determined, tenders will be sort in line with statutory requirements. | | |

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| 2.3 – Ensure expenses are claimed in year where possible | I checked to see that a sample of payments in the cashbook are supported by invoices, authorised and minuted. I found that authorised paperwork was on file to support all samples but noted that one of the expense claims included £808.89 of expenditure relating to the prior year. This can skew results and make future budget-setting more difficult. There was a small difference on the same claim as between the amount claimed for one item and the supporting receipt, which was £1.46 less (this represented 0.1% of the total value of the claim).<br><br>I recommend that, where possible, claims are made promptly during the year in order to ensure that expenditure is recorded in the correct period and to enable more accurate budget setting and monitoring. | M | This claim was for NeighbourCar and Lunch Club costs incurred. It is appreciated that submitting claims outside the year the expense occurred would normally have an affect on budgeting. However, as previously stated, no budgets are created for either the NeighbourCar or Lunch Club scheme. So this would not be the case in this instance. In addition, and as stated in previous years, the schemes rely on the goodwill of volunteers so the Parish Council tries to keep a 'hands off' approach as much as possible. | | |
| 2.4 – Ensure payments lists reflect the amount paid | I found that all samples were minuted for approval but noted that £223.04 was minuted in relation to £142 of expenditure. The Clerk noted that this reflected a credit of £81.04.<br><br>I recommend that the minutes are updated to reflect the correct payment value in order to improve the audit trail. | L | This only came to light after the payments list and minutes were drawn up and following a discussion with the creditor. A note will be made in the minutes to avoid any confusion in the future. | RFO | |
| 3.1 – Amend minutes references | I reviewed the minutes to confirm that there had been no unusual financial activity. I noted no such activity, but did note that there was a duplicate minute reference in the minutes of 10/04/25 (25.012) and that two of the minute references from the minutes of 11/09/25 were prefixed with a '24' instead of '25.<br><br>I recommend that the minute number errors are | L | Noted. The minutes will be amended accordingly. | RFO | |

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| | amended in order to ensure that there is an accurate record of Council business and decisions. | | | | |
| 3.2 – Ensure correct figures are used in the newsletter | I checked to see that the reports published in the local newsletter were consistent with the Council's business and decisions. I noted that most articles were consistent, but that the November 2025 newsletter reported that a £900 grant had been paid to the Village Hall in relation to the fire escape repairs. The Clerk confirmed that the Council agreed to fund £962.<br><br>I recommend that the correct figures are included in the newsletter. | L | Noted. | | |
| 5.1 – Ensure income is correctly coded | I checked to see that a sample of income was properly recorded and promptly banked. I found that £15 of lunch club income relating to takeaways was coded to the main lunch club code in error.<br><br>I recommend that income is correctly coded. | L | The takeaways line is for information only and not used to set future budgets but the comment is noted. | | |
| 5.2 – Note delays to banking due to bank closures | I also noted that due to the closure of local banks, there is sometimes a delay of several months in banking the related lunch club monies. The Clerk has confirmed that monies are held securely in the interim. | Info | | | |
| 7.1 – Ensure full amount due in expenses is claimed | I checked to see that other payments to employees were reasonable, properly supported and approved by the Council. I noted that the mileage claim for the month totalled 97 miles but that only 94 were claimed.<br><br>I recommend that the Council ensures that the correct amount due is claimed each month. | L | Noted. | | |
| 8.1 – Ensure asset register acquisition dates are correct | I checked to see that asset/investment registers are up to date. I noted that the draft detailed asset register appeared to contain an addition from 24/25 which was not included in that year's asset total. The Clerk confirmed | L | The date in the Asset Register has been adjusted. | RFO | |

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| | that whilst the invoice was dated in February it was not actually received and paid until April 2025, making the bin an April addition. The Clerk noted that the acquisition date should be amended to 22/04/25.<br><br>I recommend that this is done in order to ensure that the value of year-end assets is correctly stated. | | | | |
| 10.1 – Adjusted comparative for fixed assets | The following error was adjusted in the draft AGAR:<br>1. The prior year value for fixed assets was restated to agree to the value shown on the fixed asset register at 31/03/25. This increased the total value by £3k. | Info | | | |
| 12.1 – Ensure required policies are published on the website | As part of the testing on Transparency, I checked to see that the Council had published the ICO publication scheme on its website. The Council approved a model policy in 23/24, but I was unable to find it online. The Clerk confirmed a Councillor is dealing with the website and that none of the policies are currently on there, but that she will have them put back. As a result I have responded 'no' to this test.<br><br>I recommend that all of the policies are published on the Council's website as soon as possible in order to comply with regulatory requirements and ensure that electors can understand the rules that govern the Council's operation. | H | All policies will be published as discussed | RFO | **July 2026** |
| 15.1 – Ensure actions taken to comply with Assertion 10 requirements | During the year the requirements of the Council's Annual Governance Statement Assertions and of the Annual Internal Audit Report were expanded to include assurances and testing around Digital and Data. As a result, I have carried out new testing in this area. I found that whilst the Council is compliant in relation to some requirements, it had not carried out the following actions:<br>- The Clerk confirmed that website accessibility had been | H | The website host will be contacted with a view to providing the accessibility statement.<br><br>The RFO has undertaken training regarding a data audit and this | | **June 2026** |

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| | tested but there was no statement on the website;<br>- The authority has not carried out a full data audit of all data held;<br>- The authority has prepared a data protection policy but this was not reviewed at least once annually; and<br>- The authority is still working on its draft IT policy.<br><br>As a result, I have responded 'no' for this test.<br><br>I recommend that:<br>- The Council publishes the accessibility statement;<br>- The Council carries out a full data audit as soon as possible;<br>- The Council reviews its Data Protection Policy;<br>- The Council finalises and adopts its IT Policy.<br>- The Council responds 'no' to assurance 10 on the Annual Governance Statement and makes a note of how it will ensure compliance in future. | | will be carried out during the coming year.<br><br>The Data Protection policy will be reviewed this year and updated as necessary<br><br>The IT policy is under review and will be brought back to Council as soon as possible | | **September 2026**<br><br>**September 2026** |