

Internal Audit Report for Bonsall Parish Council 25-26 year.

Further to the Internal Audit of Accounts I carried out during May 2026 I confirm that the annual audit was carried out in accordance with the suggested approach contained in the Smaller Authorities Proper Practices Panel (SAPPP) - Practitioners' Guide 2026 to be applied in the preparation of statutory annual accounts and governance statements 2025/26.

The 2025/26 AGAR form has been signed off accordingly.

I would like to put on record that it is an unusual situation for two Councillors to be undertaking the duties of RFO and Clerk for such a long period of time. It is evident however that they have undertaken both posts admirably with the progress that has been made under their stewardship standing out as excellent and as a result the end of year has been attained to a really good standard. The residents of Bonsall should appreciate the effort and commitment this has taken and they are to be applauded. Nothing in this report detracts from their work and should be seen within this context.

Financial Regulations and Standing Orders

These have contradictory thresholds quoted (30k if FR, £25k in SO) for tenders. The Standing Orders will need amending and if the current situation is to continue I would recommend a review of the Financial regulations to ensure that they are reflecting the current practices.

Risk Management and Insurance (C.5)

The backup of electronic files is via I Cloud – as the Council has a Cemetery then the loss of these records is a high risk and so it is recommended that some form of backup is taken so that they can be reconstructed in the event of an incident.

Budgetary Process and Reserves (D)

The budget for 25/26 has not been noted in the Full Council minutes as required and the precept amount has not been specified (says just over 10% - actually 11.1%). Both the total budget and precept amount should be minuted and supported by the budget by cost heading that arrived at that figure. The Council should review actual against budget quarterly to discuss and amend any budgets that are not as expected or actuals that were not budgeted for.

The budget was not minuted as being agreed before the precept for 26/27 for 26/27 in January 2026. No amount was minuted and no supporting schedule included to show how that was arrived at. The budget and precept must be agreed at Council (not a Committee) and should be in that order along with a reason for any difference (eg in reserves etc)

Income Receipts and VAT (E)

There does not seem to be a record of any VAT reclaim being received during the 25/26 year. Although the Council does have up to three years to claim it is prudent to do so at least annually. It is understood that this process is under way and a claim will be made shortly.

Petty Cash (F)

There is no petty cash held

Payroll and Staff matters (G)

HMRC registration is evidenced by payments being submitted.

All employee contracts have been received and in order

The Council does not currently have any employees that are eligible for a pension

Annual Appraisals, we understand are due to be undertaken in the near future

Asset Register (H)

This has been received and a discussion had regarding 24/25 and 25/26 acquisitions that may result in a query, however as the advice under the guidance gives various options for how to calculate the Box 9 figure then it is open to interpretation.

Bank Reconciliations (I)

The bank balance should be reported regularly to the Full Council and it noted that a reconciliation has been seen and signed off by a member other than the RFO (by signing both the bank statement and the reconciliation). This will verify that stated funds agree to actual funds on the statement. Refer to Financial regulations.

Exemption (K)

Not applicable to Bonsall

Transparency (L)

The website is very well stocked and laid out. Some changes to update old documents has been undertaken. Although the code is advisory only, the Council could work towards including as much as possible from the over £200k turnover requirements as time allows.

Public Rights (M)

The public rights has been issued but this has not been minuted at the Full Council during June 25 as would have been expected (ahead of its publication)

AGAR (N)

This is on the website for 24/25 but there is no auditors signed report or supporting schedule. It is surprising that PKF did not pick up and query this not being present. I understand that one was carried out and reported to the Council. All other documentation is on the website as required

Trust Funds (O)

Not applicable

Key Governance review (P)

Some items have been updated on the website and are available at the time of writing (Members' interests)

Declaration of office of Chairman form has not been seen

Digital Compliance (Q)

No issues to report. Council and Councillors are on .gov addresses and the website is under Council control.

Yours sincerely,

Susan Stack (CiLCA)

On behalf of DALC auditing services

