Tatham Parish Council

Internal Audit Report for the 2025/2026 Financial Year

Introduction

The purpose of this audit is to assess the council's compliance with relevant regulations and laws, and ensure public money is safeguarded and properly accounted for.

This internal audit evaluates the internal processes and systems to ensure they are functioning effectively and efficiently. Each of the objectives as set out in the Annual Governance and Accountability Return has been considered and if necessary, recommendations are made to improve the internal processes.

As the Parish Council's annual expenditure is less than £200000 it operates a receipts and payments approach to the accounts and as the greater annual expenditure or annual income is less than £25000 the Parish Council may claim exemption from an External audit.

Assertion 1- Financial Management and Preparation of accounting Systems.

Observations/Comments

The Council uses the Scribe accounting software system which is for the use of Parish Councils.

This has been used accurately to record all the Council's financial transactions, and these transactions have been verified as being authorised by the Councillors in the minutes of Parish Council meetings and to the Bank Statements.

Bank position and current budget position are reviewed and approved at each Council meeting.

The Council reviewed the draft budget for 2026/27 at the meeting held in November 2025, the final budget then being agreed and circulated in January 2026 and published on the Parish Council website. A Precept request of £6126.84 which included a nil % increase was submitted to support this budget.

Recommendations

There was a slight increase in bank balance of 6% in the financial year which again points to the need for an interest-bearing bank account. However, with there being no expected increase in Precept and lack of grants in the 2026/27 budget this bank balance may be depleted in the forthcoming year as expenditure exceeds income.

Assertion 2 – Internal Control

Observations/Comments

Tatham Parish Council has in place robust Standing orders and Financial Regulations; these were reviewed at the meeting held in September 2025 and published on the website.

The online banking signatories and authority levels were reviewed at the November 2025 meeting and a revised mandate as agreed to be implemented. All payments made by the council are completed using direct bank transfers with 2 members of the Council authorising.

The effectiveness of Internal controls was reviewed in March 2026 and updated

Recommendations

None

Assertion3 – Compliance with Laws, Regulations and Proper Practices

Observations/Comments

There is no evidence that the Council has taken any decisions and or acted outside the Scope of its powers.

All the Council's business during 2025/26 appears to be consistent with the regulations and proper practice.

Recommendations

None

Assertion 4- Exercise of Public Rights

Observation/Comments

The Parish council published last year's Annual Governance and Accountability Return along with a statement in relation to Exercise of Public Rights.

Recommendations

None

Assertion 5 – Risk Management

Observations/Comments

The Council reviewed its Risk Management policy and Risk Register in March 2026, all potential risks have been identified as low.

The Parish Council has taken out the appropriate level of insurance, the provider continues to be Zurich.

Recommendations

None

Assertion 6- Internal Audit

Observations/Comments

The Parish council provided all the necessary information and documentation for the Internal audit to be effectively and efficiently undertaken.

Recommendations

None

Assertion 7- Reports from Auditor

Observations/Comments

The 2025/2026 Audit did not highlight any issues or recommendations for the Parish council and due to both its Expenditure and Income being less than £25000 can claim exemption from external audit.

Assertion 8 – Significant events

Observations/Comments

Grants previously received have not been forthcoming, this caused the discontinue of expenditure on local delivery schemes.

Recommendations

None

Assertion 9 – Trust Funds (local councils only)

The Parish Council does not have and/ or manage any Trust funds.

Assertion 10- Digital and data compliance

At the March 2026 meeting the Council reviewed the requirements of Assertion 10 and agreed a new website which meets the accessibility requirements was necessary. This has been instigated and completed the expenditure for which will be seen in 2026/27.

Summary

The Internal audit finds that the Parish Council's internal processes are efficient and effective.

No issues or concerns were found that require a referral to an external auditor.

Signed



Margaret Johnson

Date 1st May 2026