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Apuldram Parish Meeting  
1 Charlmead  
East Wittering  
Chichester  
West Sussex  
PO20 8DN

20 April 2026

Dear Loiuise

**Re: Apuldram Parish Meeting**  
**Internal Audit Report for Financial Year Ended 31 March 2026**

**Executive summary**

Following completion of our internal audit on 20 April 2026, we are pleased to enclose our report for your review and presentation to the Parish Meeting. The audit was conducted in accordance with current professional standards and guidelines, employing a risk-based approach to our testing. While not all transactions were examined, our sample testing, where appropriate, covered the financial year to date.

The structure of this report aligns with the assertions set out in the Annual Internal Auditor Report section of the published Annual Governance and Accountability Return (AGAR). Each section begins with a summary of the assertion being assessed, followed by details of the testing undertaken, which was guided by the audit plan previously shared with the council. A copy of the audit plan is available upon request. The report concludes with our opinion on whether each assertion has been met as of the date of the audit. **Any recommendations for action are highlighted in bold and summarised in the table at the end of the report.**

Our testing did not identify any procedural errors requiring reporting to the external auditor at this time, nor did we observe any material weaknesses in internal controls that would pose a risk to public funds. In fact, the processes and procedures together with own built-in compensating controls are robust, strictly followed and in many respects a model of good practice.

We are pleased to report that overall, the systems and procedures currently in place are appropriate and effective. While this report may include recommendations for improvement, these should not be viewed as indicators of significant deficiencies. Rather, they are intended to support the continued development of what is, in our view, a well-managed and robust governance framework.

I have completed the Annual Internal Audit Report page of the AGAR and provided this to the council for onward submission to the External Auditor.

## **Regulation**

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts. In addition to this, a smaller authority is required by Regulation 5(1) of the Accounts and Audit Regulations 2015 to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.”

Internal auditing is an independent, objective assurance activity designed to 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 primary purpose of internal audit is to assess and report to the authority on the effectiveness of its financial systems and other internal controls, including the operational procedures that support its activities.

The internal audit function involves testing and evaluating whether the authority’s internal control framework is both adequate and functioning effectively. Internal audit reports should be made available to all Members, providing a basis for informed decision making when considering the authority’s approval of the Annual Governance Statement.

## **Independence and competence**

Your audit was conducted by Andy Beams of Mulberry Local Authority Services Ltd, who has over 36 years’ experience in the financial sector with the last 16 years specialising in local government.

Your auditor is independent from the management of the financial controls and procedures of the council and has no conflicts of interest with the audit client, nor do they provide any management or financial assistance to the client.

## **Engagement Letter and inherent risk assessment**

An engagement letter was previously issued to the Parish Meeting covering the 2025/26 internal audit assignment, which includes the scope and plan of works and fee structure. Copies of this document are available on request from [anna@mulberrylas.co.uk](mailto:anna@mulberrylas.co.uk)

In summary, our work will address each of the internal control objectives as stated on the Annual Internal Audit Report of the AGAR.

It is our opinion that the inherent risk of error or misstatement within the council’s financial systems is low. The internal control environment is considered reliable, and as such, substantive testing of individual transactions is not deemed necessary at this stage.

Audit testing will therefore consist of walk-through testing on a selection of sample data, covering the period under review within the current council year. This approach is designed to confirm that key controls are operating effectively throughout the financial period.

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## INTRODUCTION

The audit was conducted on remotely with the Clerk, who had prepared and forwarded the requested information advised in advance of a scheduled telephone conversation. Overall, I have the impression that accounting records are neatly maintained and easily accessible and the Parish Meeting continues to benefit from having an experienced Parish Clerk to oversee their governance and financial matters.

As a Parish Meeting, the internal audit testing is less robust than for a Parish Council, although there remain some statutory and regulatory requirements subject to testing as part of the audit process. Consequently, the internal control objectives listed alphabetically below directly reflect those on the Annual Internal Audit Report applicable to Parish Councils, and where there appear to be sections missing, this is due to those areas not being applicable to a Parish Meeting.

### A. BOOKS OF ACCOUNT

#### **Internal audit requirement**

*Appropriate accounting records have been kept properly during the year.*

#### **Audit findings**

The Parish Meeting uses Excel for recording its financial transactions. This remains a suitable method for an organisation of this size with a limited number of financial transactions, and a review of the Excel spreadsheets shows these are logically arranged and easy to understand.

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### CONCLUSION

I am satisfied this control objective has been met.

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### B. FINANCE REGULATIONS, GOVERNANCE AND PAYMENTS

#### **Internal audit requirement**

*This authority complied with its Finance Regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.*

#### **Audit findings**

*The testing in this section is significantly reduced compared to the test for a Parish Council.*

I confirmed by sample testing that members sign an "Acceptance of Office" form, and a summary of Members Interests is published on the Parish Meeting website [www.apuldramparish.gov.uk](http://www.apuldramparish.gov.uk).

I was able to confirm that at least 3 clear days' notice is given on agendas. Whilst we have not tested every single meeting there was no evidence of non-compliance in giving three clear days' notice of the meeting.

Minutes of meetings are available to view on the Parish meeting website along with any supporting documents for meetings.

The Parish Meeting has adopted Standing Orders and Financial Regulations and based these on the NALC model versions intended for Parish Councils, adjusting them as appropriate. This provides a sound governance basis for the Parish Meeting to operate, and the minutes confirm that both documents were reviewed and approved in May 2025.

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## CONCLUSION

I am satisfied this control objective has been met.

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## C. RISK MANAGEMENT AND INSURANCE

### **Internal audit requirement**

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

### **Audit findings**

It remains unclear as to the statutory requirement for a Parish Meeting to conduct a formal risk assessment, but I note that following the recommendation in last year's internal audit report, the Clerk has prepared a simple risk assessment which is suitable for an organisation of this size.

However, this was not approved by the Parish Meeting prior to the year-end, and the Parish Meeting has correctly answered 'no' to Governance Assertion 5. This is reflected in the 'no' response to this internal control objective.

I confirmed that the council has a valid insurance policy in place with Zurich which covers the year under review. Insurance cover for buildings and key assets of the council is consistent with the council's asset register.

The insurance policy includes Public Liability cover of £12 million, Employers Liability cover of £10 million and a Fraud & Dishonesty (Fidelity Guarantee) level of £25,000 which is sufficient for an organisation of this size.

We discussed assertion 8 on the Annual Governance Statement and whether this had any impact on the council.

*"We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements."*

The Clerk confirmed that they were not aware of any event having a financial impact that was not included in the accounting statements.

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## CONCLUSION

I am not satisfied this control object has been met. Please see the comments above and our recommended course of action in the table at the end of this report.

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## D. BUDGET, PRECEPT AND RESERVES

### **Internal audit requirement**

*The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.*

### **Audit findings**

The Parish Meeting set a precept of £6,219 for 2025/26. With a tax base of 104.2, this equates to a band D equivalent of £59.68 (compared to the average in England of £92.92).

I was able to confirm that the precept amount recorded in the accounts is correct, and equals the amount recorded in box 2 of the Accounting Statements.

There is evidence of the Parish Meeting setting a budget to inform the precept request, and of budget monitoring taking place throughout the year.

I confirmed via the minutes that the 2026/27 budget and precept were approved by the council at the meeting held on 8 January 2026 (minute ref 09.26.2).

At the year-end, the council held circa £8,495 in reserves, split between categories as below:

- Earmarked EMR      £50
- General Reserves    £8,445

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### **CONCLUSION**

I am satisfied this control objective has been met.

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## E. INCOME

### **Internal audit requirement**

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

### **Audit findings**

Apart from the precept, the council has no other source of regular budgeted income and makes no fees nor charges which would be subject to regular review.

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### **CONCLUSION**

I am satisfied this control objective has been met.

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## F. PETTY CASH

### **Internal audit requirement**

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

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### **CONCLUSION**

The Parish Meeting has no petty cash and the testing for this internal control objective is not applicable.

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## H. ASSETS AND INVESTMENTS

### **Internal audit requirement**

*Asset and investments registers were complete and accurate and properly maintained.*

### **Audit findings**

The council has a fixed asset register in place, maintained in a tabular format, which includes a description of each asset, the date of acquisition, supplier details, original cost, useful life estimate, location, present usage information, custodian details, condition and insurance value.

Assets are correctly listed at cost/proxy cost, or where gifted/donated, given a nominal £1 value for the purpose of the asset register. I confirmed the asset register total matches that included in box 9 on the AGAR, with no additions nor deletions made during the financial year.

The Parish meeting has no long-term investments.

The Parish Meeting has no borrowing through the PWLB.

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### **CONCLUSION**

I am satisfied this control objective has been met.

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## I. BANK AND CASH

### **Internal audit requirement**

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

### **Audit findings**

I reviewed the year-end bank reconciliation and was able to confirm the balances on 31 March 2026 to the bank statements and found no errors. I was able to confirm the total bank balances to the figure included in the Accountings Statements on the AGAR.

**CONCLUSION**

I am satisfied this control objective has been met.

**J. YEAR END ACCOUNTS**

**Internal audit requirement**

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

**Audit findings**

The council is reminded that at its meeting to sign the Annual Governance and Accountability Return (AGAR), it should complete the steps in the following order:

- **Review and consider the Annual Internal Audit Report**
- **Complete Section 1 – Annual Governance Statement**
- **Complete Section 2 – Accounting Statements**

**Section 1 – Annual Governance Statement**

Based on the internal audit findings, I recommend using the table below as the basis for that discussion.

	<b>Annual Governance Statement</b>	<i>‘Yes’, means that this authority</i>	<b>Suggested response based on evidence</b>
1	We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>	<b>YES</b> – accounts follow latest Accounts and Audit Regulations and practitioners guide recommendations.
2	We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>	<b>YES</b> – there is regular reporting of financial transactions and accounting summaries, offering the opportunity for scrutiny.
3	We have assured ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>	<b>YES</b> – the Clerk advises the council in respect of its legal powers.

4	We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>	<b>YES</b> – the requirements and timescales for 2024/25 year-end were followed.
5	We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>	<b>NO</b> – the council did not adopt a risk management scheme during the year.
6	We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>	<b>YES</b> – the council has appointed an independent and competent internal auditor.
7	We took appropriate action on all matters raised in reports from internal and external audit.	<i>responded to matters brought to its attention by internal and external audit.</i>	<b>NO</b> – matters raised in the internal audit reports were not addressed within the year.
8	We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and. Where appropriate, have included them in the accounting statements.	<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>	<b>YES</b> – no matters were raised during the internal audit visits.
10	We have put in place arrangements for effective IT and data management in accordance with proper practices during the year under review.	<i>has made suitable arrangements for its IT and data management and has complied with proper practices in doing so</i>	<b>YES</b> – the council has met the requirements of Governance Assertion 10

**Section 2 – Accounting Statements**

AGAR box number		2024/25	2025/26	Internal Auditor notes
1	Balances brought forward	11,157	12,646	Agrees to 2024/25 carry forward (box 7)
2	Precept or rates and levies	5,958	6,219	Figure confirmed to central precept record
3	Total other receipts	692	666	Agrees to underlying accounting records
4	Staff costs	3,420	2,588	Agrees to underlying accounting records. Includes only expenditure allowed as staff costs (see section G)
5	Loan interest/capital repayments	0	0	Parish Meeting has no borrowing
6	All other payments	1,741	8,448	Agrees to underlying accounting records
7	Balances carried forward	12,646	8,495	Casts correctly and agrees to balance sheet
8	Total value of cash and short- term investments	12,646	8,495	Agrees to bank reconciliation for all accounts
9	Total fixed assets plus long- term investments and assets	6,137	6,137	Matches asset register total and changes from previous year have been traced
10	Total borrowings	0	0	Parish Meeting has no borrowing

**Audit findings**

The year-end accounts have been correctly prepared on a receipts and payments basis with no requirement to complete the box 7 and 8 reconciliation.

The AGAR correctly casts and cross casts and last year's comparatives match the figures submitted for 2024/25 and published on the council website.

I tested the accuracy of the figures reported on the Certificate of Exemption against the accounting records, and these are confirmed as:

Total annual gross income	£6,885
Total annual gross expenditure	£11,036

The variance analysis has been completed and, in my opinion, provides sufficient financial and narrative information to explain the variances to the External Auditor.

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**CONCLUSION**

I am satisfied this control objective has been met.

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**K. LIMITED ASSURANCE REVIEW****Internal audit requirement**

*IF the authority certified itself as exempt from a limited assurance review in the previous year, it met the exemption criteria and correctly declared itself exempt.*

**Audit findings**

The council correctly declared itself exempted itself from a limited assurance review in 2024/25 and the Exemption Certificate is published on the council's website. The Parish Meeting meets the exemption criteria again for 2025/26.

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**CONCLUSION**

I am satisfied this control objective has been met.

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**M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS****Internal audit requirement**

*The authority, during the previous year, correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.*

**Audit findings**

Inspection – key dates	2024/25 Actual	2025/26 Proposed
Date AGAR signed by council	22 May 2025	21 May 2026
Date inspection notice issued	2 June 2025	2 June 2026
Inspection period begins	3 June 2025	3 June 2026
Inspection period ends	14 July 2025	14 July 2026
Correct length (30 working days)	Yes	Yes
Common period included (first 10 working days of July)	Yes	Yes

I am satisfied the requirements of this control objective were met for 2024/25, and assertion 4 on the Annual Governance Statement can therefore be signed yes.

I reviewed the proposed dates for the Exercise of Public Rights for the 2025/26 AGAR and confirm that these are in accordance with the requirements of the Accounts and Audit Regulations.

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## CONCLUSION

I am satisfied this control objective has been met.

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## N: PUBLICATION REQUIREMENTS

### **Internal audit requirement**

*The authority complied with the publication requirements for the prior year AGAR.*

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website / webpage.

*Before 1 July 2025 authorities must publish:*

- *Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited*
- *Section 1 - Annual Governance Statement 2024/25, approved and signed, page 4*
- *Section 2 - Accounting Statements 2024/25, approved and signed, page 5*

*Not later than 30 September 2025 authorities must publish:*

- *Notice of conclusion of audit*
  - *Section 3 - External Auditor Report and Certificate*
  - *Sections 1 and 2 of AGAR including any amendments as a result of the limited assurance review.*
- It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.*

### **Audit findings**

I was able to confirm that the Notice of the Period of Public Rights and Section 1 (Annual Governance Statement) and Section 2 (Accounting Statement) were published on the council's website before 1 July 2025.

As the Parish Meeting declared itself exempt from a limited assurance review in 2024/25, they do not receive and External Auditor's Report and are not required to publish a Notice of Conclusion of Audit.

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## CONCLUSION

I am satisfied this control objective has been met.

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## O. DIGITAL AND DATA COMPLIANCE

### **Internal audit requirement**

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

### **Audit findings**

The Smaller Authorities Proper Practices Panel (SAPPP) Practitioner’s Guide (March 2025) contains guidance on the new Governance Assertion included on the 2025/26 AGAR which relates to this internal control objective.

### **Website**

I was able to confirm that the Parish Meeting website contains a Privacy Notice and a Website Accessibility Statement. The Website Accessibility Statement correctly references partial compliance with the Web Content Accessibility Guidelines (WCAG) 2.2 AA and was last updated in December 2025.

Parish Meetings are exempt from the requirement to have an IT Policy.

### **Email management and GDPR**

The Parish Meeting has established a .gov website and associated emails for use by the Clerk and Chair, which complies with the requirements for a Parish Meeting.

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## **CONCLUSION**

I am satisfied this control objective has been met.

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**Achievement of control assertions at final internal audit date**

Based on the tests conducted during the interim audit, our conclusions on the achievement of the internal control objectives to date are summarised in the table below.

	<b>INTERNAL CONTROL OBJECTIVE</b>	<b>YES</b>	<b>NO</b>	<b>NOT COVERED</b>
A	Appropriate accounting records have been properly kept throughout the financial year	✓		
B	This authority complied with its Finance Regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for	✓		
<b>C</b>	<b>This authority assesses the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these</b>		✓	
D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for	✓		
F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for			✓
H	Asset and investments registers were complete and accurate and properly maintained.	✓		
I	Periodic bank account reconciliations were properly carried out during the year.	✓		
J	Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded.	✓		
K	If the authority certified itself as exempt from a limited assurance review in the previous year, it met the exemption criteria and correctly declared itself exempt.	✓		
M	The authority, during the previous year correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations.	✓		
N	The authority complied with the publication requirements for prior year AGAR.	✓		
O	The authority has complied with laws, regulations and proper practices relating to digital and data compliance.	✓		

Should you have any queries please contact me directly on [andy@mulberrylas.co.uk](mailto:andy@mulberrylas.co.uk)

Yours sincerely



**Andy Beams**  
**Director, Mulberry Local Authority Services Ltd**