



Richard Maccabee
Parish Clerk and Responsible Finance Officer
Batheaston Parish Council
60, Gloucester Road
Bath
BA1 7BN

12th May 2026

Dear Richard,

INTERNAL AUDIT 2026

Parish & Town Auditing Services have been appointed to undertake the internal audits at Batheaston Parish Council. The annual internal audit for 2025/26 financial year was completed on 12th May 2026.

I can confirm that I am independent of the Parish Council.

As stated in the Letter of Engagement letter, the scope of our work is limited to completing the audit testing and enquiries we deem necessary to complete the internal audit section of the Annual Report for Local Councils in England. We do not provide assurance over or accept responsibility for areas of work not included in this scope, unless specifically agreed with the Council during the financial year. In providing internal audit services we are not conducting a financial statement audit in accordance with standards and guidelines issued and our procedures are not designed to provide assurance over the reliability and quality of your financial statements. This will be undertaken by the Council's appointed External Auditor.

We are required by the Annual Internal Audit Report included in the Annual Governance and Accountability Return (AGAR) to review controls in place at the Council against predefined control assertions. These controls are included in the following report.

The Audit has identified a number of recommendations to help update and improve the Council's current procedures. The audit has found no areas of concern and the Council's procedures and controls are generally working well.

Thank you for all the information you have provided to enable the audit to be undertaken.

Yours sincerely,

Paul Russell, Internal Auditor

INTERNAL AUDIT

Outlined below is an overview of the 10 Assertions within the Practitioners Guide 2025. Each of these are dealt with under the relevant Governance sections contained in Section 1 of the AGAR:

AGS Assertion 1 — Financial management and preparation of accounts

- Accounting Records and supporting documents:
- Bank reconciliation:
- Budget setting:
- Investments:
- Reserves:
- General Reserves:
- Earmarked and other reserves:

AGS Assertion 2 — Internal control

- Standing Orders and Financial Regulations:
- Safe and efficient arrangements to safeguard public money:
- Employment:
- VAT
- Fixed assets and equipment:
- Loans and long-term liabilities:

AGS Assertion 3 — Compliance with laws, regulations and proper practices

- Acting with its powers:

AGS Assertion 4 — Exercise of public rights

AGS Assertion 5 — Risk management

AGS Assertion 6 — Internal audit

AGS Assertion 7 — Reports from auditors

AGS Assertion 8 — Significant events

AGS Assertion 9 — Trust funds (local councils only)

AGS Assertion 10 — Digital and data compliance

The following headings are based on Section 1 – Annual Governance Statement.

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

The Clerk has been appointed as RFO (LGA1972 s151). **Recommend this be added to the website:** [Staff | Batheaston Parish Council](#)

The roll over figure is £116,296 (Box 7).

The Council maintains its accounts using the Advantedge finance software. A sample of the financial transactions between 1st April and 31st March 2026 has been undertaken. The following checks were carried out:

- A review of the cashbook against the bank statements and invoices paid;
- A sample of Payments have been checked against the bank statements to verify accuracy;
- Expenditure incurred is appropriate.

There is a proper process in place to ensure that financial information is correctly recorded and reported to Council as part of its governance procedures. Procedures are included in the Financial Regulations.

A list of invoices for payment is presented to Full Council for payment. Supporting financial papers are uploaded onto the Council's website. Invoices are sent to and checked by two Councillors and then authorised. Ratification of payment is minuted in the Council minutes and payment is via online banking.

The Council has developed an internal financial control document to support the Financial Regulations. This has been developed with the Finance Administrator and has been reviewed.

The Council has a Risk Management Register in place. This is a live document and is reviewed on a regular basis.

Bank reconciliations are prepared monthly, presented to Full Council and signed off. A copy of the bank reconciliation is uploaded onto the Council's website as part of the finance report supporting papers.

There is appropriate segregation in place.

The year end bank reconciliation has been completed. This was referenced back to the bank statements. The final balance held by the Council amounts to £157,817.62 as at 31st March 2026.

The Council requires an investment strategy as it has balances of over £100,000. **Recommend that an investment policy be adopted as soon as possible to meet requirements**

The Council has met this 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.

Tenders and Contracts are governed by Financial Regulations. All contracts being tendered should be published on the Parish Council's website as well as the Find a Tender portal where required.

Standing Orders and Financial Regulations are based on the latest versions. Both policies were reviewed on 3rd June 2025 (Minutes 7.2 and 7.4 respectively). The limits between the two documents match.

The following contracts over £1,000 have been reviewed during the year:

- Edge IT Systems
- Castle Scaffolding
- Healthmatic Ltd
- Newspaper Club Ltd
- Light Fantastic UK
- Tree Maintenance Ltd
- George Carr Power Products
- Insurance.

Invoices are processed as follows:

- On receipt they are reviewed for accuracy;
- Coded to correct cost centre;
- Invoices are printed and filed;
- Invoices are recorded in the software;
- Payment schedule presented at each meeting for approval;
- Payments are ratified at each meeting;
- Payments are uploaded onto the banking app by the Clerk/RFO;
- All payments are authorised by two councillor signatories from the four available. A fifth signatory is being added.

There is appropriate segregation in place.

Council claims its VAT reclaim annually. The 2024/25 reclaim was received in October 2025 (£3,704.28) and the 2025/26 reclaim is about to be submitted (£2,937.93)

The Council has a Lloyds credit card in place. Expenditure is recorded in the accounts, VAT is properly accounts for and the monthly expenditure incurred is paid off in full.

The Council does not have General Power of Competence in place.

The Council has met this control objective.

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

The Council has a number of risk assessments in place but does not have a formal Risk Register adopted. However, Council processes ensure that Council considers outstanding risks and has an Asset and Risk Management Review procedure in place. **It is recommended that a formal Risk Register be adopted.**

An Asset Register is in place and is updated during the year. Current value of the assets amounts to £373,160. The asset register is comprehensive and meets all the current requirements,

The Council is insured through Zurich. Policy number YLL-2720874723: Cover runs from 1st October 2025 to 30th September 2026.

A review of the insurance policy has been undertaken and Council is adequately insured. The policy includes Employers Liability (£10 million), public liability (£12 million), Fidelity Guarantee (£250k) and libel & slander (£250k).

The Council is responsible for the play area at Coalpit Road. The Council has an independent annual inspection carried out on the playground annually by the Play Inspection Company.

The Council also carries out regular quarterly independent inspections through B&NES.

The Council has adequate internal controls in place to ensure that it carries out its day-to-day business effectively and efficiently.

The Council has met this 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 budget and precept were set by resolution at the Parish Council meeting on 11th February 2025. Minute 6.2 refers.

6.2. Council approved the Precept request of £135,420, based on 4% rise per household, to be made to Bath and North East Somerset Council.

6.2.1. Cllr Squire, Chair of the meeting, duly signed the precept request, which the Clerk will submit to B&NES..

It has been confirmed that a precept of £135,240 was requested. (MHCLG Parish Code E0101P002)

Budget monitoring is reviewed on a regular basis by the Finance Committee. The budget monitoring report is included in the supporting papers and the review is recorded in the minutes. Budget monitoring is also undertaken during budget setting.

The Council has set up Earmarked Reserves but they are not recorded in the accounts. **It is recommended that formal Earmarked Reserves be developed as the General Reserve is reaching its limit (normally 3-6 months of expenditure with a maximum no greater than the precept).**

The Council has adequate General Reserves available as recommended by SAPPP. The Council had the following Bank Statement Balances as at 31st March 2026:

ACCOUNT	AMOUNT
Unity Trust Current	£793.05
Unity Trust Reserve	£147,439.40
Playground Reserve	£4,396.91
UNITY - Sports Foundation	£5,188.26
TOTAL	£157,817.62

The Council has met this control objective.

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

The Council does not have any aged debtors.

Batheaston Parish Council does not manage an allotment site.

The Council is not a burial authority.

The Council hires out the Pavilion. It invoices for all hires and has a booking system in place.

Council's other income for 2025/26 included bank interest, pitch bookings, PROW maintenance payment and income from its public toilets. This is all correctly recorded.

The Council has met this control objective.

F. Cash payments were properly supported by receipts, all cash expenditure was approved and VAT appropriately accounted for.

The Council does not operate a petty cash system and did not receive any cash payments during the financial year.

All cash received is banked by the Clerk and correctly recorded in the accounts.

The Council has met this 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.

All staff have a contract of employment in place.

Members do not receive a members' allowance.

A sample of staff salaries has been checked and confirmed. Salaries paid during the year have been reviewed. Gross pay is calculated in accordance with the relevant NJC scale. Tax codes are included on the payslips and deductions properly calculated. Payroll is undertaken by an external contractor. Pay slips provided and have been reviewed. It has been confirmed that tax is properly deducted.

One member of staff has pension provision through Nest Pensions and the other staff member has a personal pension. Pension contributions have been made to both pension funds and include both employee and employer contributions. Not all members of staff are in the pension scheme.

National Insurance contributions have been deducted as required.

A test sample was undertaken and it was confirmed that the correct net pay was paid to the employee with tax and NI contributions correctly deducted and paid to the respective agencies.

The Council has met this control objective.

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

An Asset Register is in place and is being reviewed. Asset purchase cost is recorded and additional information is included where appropriate.

A comparison of the insurance schedule against the asset register has been undertaken. Council has adequate insurance cover in place.

Council has no long-term investments in place.

Council has no loans in place.

The Council has met this control objective.

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

Bank reconciliations are prepared monthly and are signed off by Full Council. Copies of the bank reconciliations are uploaded onto the website for transparency.

The Council has met this 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 cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.

Accounts are maintained on a receipts and payments basis. Payments agreed to the cash book and were supported by an adequate audit trail.

The Council has met this 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”).

Not covered.

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 following information should be published on the Parish Council’s website under the Smaller Authorities Transparency Code ([SI/SR Template](#))

Review the Authority’s website ensuring that all required documentation is published in accordance with the relevant legislation.

The following information is published on the Town Council’s website:

The following information should be published on the Parish Council’s website under the Smaller Authorities Transparency Code ([SI/SR Template](#))

Expenditure exceeding £100

Local authorities must publish details of each individual item of expenditure that exceeds £100. [Published as part of the minutes and on the Financial transactions page of its website.](#)

End of year accounts

Annual publication no later than 1 July in the year immediately following the accounting year to which it relates. [Published](#)

Annual governance statement

Annual publication no later than 1 July in the year immediately following the accounting year to which it relates. [Published](#)

Internal audit report

Annual publication no later than 1 July in the year immediately following the accounting year to which it relates. [Published](#)

List of councillor or member responsibilities

Annual publication of councillor or member responsibilities no later than 1 July in the year immediately following the accounting year to which it relates. [Published.](#)

Location of public land and building assets

Annual publication no later than 1 July in the year immediately following the accounting year to which it relates. Parish councils and port health authorities to

publish details of all public land and building assets – either in its full asset and liabilities register or as an edited version. [Not currently published. Recommend that the asset register element relating to public land and building assets be published.](#)

Minutes, agendas and papers of formal meetings

Publication of draft minutes from all formal meetings not later than one month after the meeting has taken place. Publication of meeting agendas and associated meeting papers not later than three clear days before the meeting to which they relate is taking place. [Published](#)

The Council has met this 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 2025/26 AGAR period, were public rights in relation to the 2024-25 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set*).

The publication requirements were met. The Notice states 19th June to 30th July 2025. This meets the statutory 30 day requirement.

The Council formally minuted the dates of the public notice at the meeting where the AGAR was approved on 17th June 2025. (minute 6.6)

The Notice was uploaded onto the website.

The Council has met this control objective.

N. The authority has complied with the publication requirements for 2024/25 AGAR.

Publication Requirements 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: [Published](#)
- Section 1 - Annual Governance Statement 2024/25, approved and signed, page 4: [Published](#)
- Section 2 - Accounting Statements 2024/25, approved and signed, page 5: [Published](#)

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. [Published](#).

The Council has met this control objective.

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

Council has a .gov.uk email addresses for all its staff. Council meets best practice advice by having a .gov.uk domain for its website and email account.

The Council has adopted an IT policy as required. ([IT Policy - approved 2025-12-02.pdf](#))

The Council has an Accessibility Statement published on its website. ([Accessibility Statement | Batheaston Parish Council](#)). **Recommend this is updated to include reference to WCAG2.2AA.**

Note that since September 2020, all parish and Parish councils must have a website that complies with Website Content Accessibility Guidelines (WCAG). As from October 2024 that rating level changed from WCAG2.1 AA to WCAG2.2AA so that it meets Accessibility Guidelines as set in the Public Sector Bodies Accessibility regulations.

It has been confirmed that Batheaston Parish Council website does not comply with WCAG 2.2 AA. It achieves 88%: [Scan Results — CompliaScan](#)

Accessibility has been reviewed and the parish council section of the website scores 9.8 out of 10. [WAVE Report of Home | Batheaston Parish Council](#)

Data Protection requirements:

- Data Protection Officer/Lead – Lead Councillor
- Data Audit: In the process of being undertaken.
- Training for staff and Councillors: Councillor and RFO have undertaken relevant training. Council has an ongoing training programme.
- Data Protection Policy: In place: [Batheaston Parish Council Data Protection Policy](#)
- Document Retention Policy: In place [Records Retention Policy - approved 2025-12-02.pdf](#)
- Secure data to protect it from Data Breaches: Part of Data Protection Policy.
- Council has ensured that both hard copy and electronic data have relevant protections in place.

A Freedom of Information Policy is currently being updated. **Recommend that this be uploaded onto the website.**

The Council meets the Smaller Councils Transparency Code as required.

The Council has met this control objective.

P. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.

The Council is not a sole trustee.