

# Annual Internal Audit Report 2025/26

## Bovingdon Parish Council

[https://www.bovingdonparishcouncil.gov.uk/Home\\_21958.aspx](https://www.bovingdonparishcouncil.gov.uk/Home_21958.aspx)

During the financial year ended 31 March 2026, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2025/26 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**	
A. Appropriate accounting records have been properly kept throughout the financial year.		✓		X
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓			
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓			
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.		✓		X
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓			
F. Cash payments were properly supported by receipts, all cash expenditure was approved and VAT appropriately accounted for. <i>no cash projects</i>			✓	
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.	✓			
H. Asset and investments registers were complete and accurate and properly maintained.		✓		X
I. Periodic bank account reconciliations were properly carried out during the year.	✓			X
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.		✓		X
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")			✓	
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.			✓	
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).	✓			
N. The authority has complied with the publication requirements for 2024/25 AGAR (see AGAR Page 1 Guidance Notes).	✓			
O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.		✓		X
P. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.				
	Yes	No	Not applicable	
		✓		X

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

20/01/2026 04/02/2026

Name of person who carried out the internal audit  
N Bugden

→ See narrative report

Signature of person who carried out the internal audit



Date

11/06/2026

\*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\*Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

## Internal Audit Report

(To be read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return)

Name of council:	Bovingdon Parish Council		
Name of Internal Auditor:	Nikki Bugden	Date of report:	3/6/2026
Year ending:	31 March 2026	Date audit carried out:	20/1/26, 4/2/26 (in person) Follow up via multiple emails and telephone calls.

*Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the council through its staff and management and not left for internal audit. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council in order to detect error or fraud. This report is based on the evidence made available to me and consequently the report is limited to those matters set out below.*

***The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.***

### Executive Summary

Bovingdon Parish Council (BPC) serves a rapidly expanding community and is supported by councillors who contribute significant time and commitment across a wide range of local activities. Although the council owns limited land and assets, it holds important responsibilities as the sole trustee<sup>1</sup> of the Memorial Hall and maintains stewardship of several areas of manorial waste. The King George V playing field remains under the ownership of Dacorum Borough Council.

In recognition of the increasing scale and complexity of parish activity, the clerk has identified the internal audit as a timely opportunity to strengthen the council's governance framework. This audit has therefore been undertaken with enhanced scrutiny to provide a clear baseline for future development. The consideration and marking of the control objectives below have not been impacted by this additional scrutiny and there is no suggestion of impropriety, however my comments do contain more detail that is usually

<sup>1</sup> This status has not been verified during my audit.

expected. This exercise will be used by the clerk as a benchmarking exercise on which to update processes and identify training requirements.

Internal audit encompasses both governance and accounting and forms an essential component of the statutory external audit regime, as set out in the [Practitioners' Guide 2025](#). The scrutiny is of only a selection of the key council documents and processes evidenced or in place at the time of my visits and subsequent follow up emails.

The clerk and assistant to the parish clerk have made considerable progress in modernising the council's governance arrangements, introducing a wide range of policies and revisiting the implementation of the sector-specific accounting software to improve accuracy, transparency, and reporting. A robust and consistently applied governance framework is essential to mitigate organisational risk, protect councillors and staff, and provide assurance to residents that public funds are being managed appropriately and in accordance with statutory requirements and adopted policies.

The audit identified several areas where policies and procedures are not yet fully embedded or where evidence of compliance is insufficient. In some instances, practices may have been undertaken but not formally recorded; in others, operational practice does not fully align with adopted policy. Recommendations have been made with reference to statutory obligations and recognised best practice.

Due to the collaborative nature of the community and the community minded activity of the councillors it can sometimes be difficult to distinguish under which umbrella duties are being fulfilled, in particular with the trusteeship of the Memorial Hall and the use of committees.

A significant governance concern relates to the lack of clear delineation between the council's functions and its responsibilities as trustee of the Memorial Hall. The Memorial Hall management committee does not appear to be operating as obliged, and decisions relating to the charity are being taken within parish council meetings. This practice risks contravening Charity Commission requirements.

BPC should seek professional advice to ensure that the delineation is clear and perhaps (after legal advice has been sought) consider the use of a memorandum of understanding around services, duties and staffing to offer clarity in this area. ***This internal audit does not include a review of Memorial Hall governance, finance or practices and is focused solely on the parish council internal audit process.***

The council is also engaged in negotiations regarding new community buildings at the Grange Farm development. Early and continuous involvement of the Clerk, as Proper Officer of the council (the statutory body entering in any negotiations) , is essential to ensure that statutory governance, legal structures, and HMRC considerations are correctly established from the outset.

Overall, BPC is a well-organised council with a clerk who is proactive, knowledgeable, and committed to strengthening statutory compliance for the public body. With the support of councillors, sector specialists and continued professional development, the clerk is well placed to implement the recommendations arising from this audit.

As highlighted below two areas have been identified as priority requiring more urgent attention due to their potential to expose the council to challenge or risk. In addition, it is my recommendation that this report is used to revisit the function of existing committees and working groups, and their delegated powers to ensure that they are serving the council in a way that assists the BPC team in efficiently and effectively achieving its aims and fulfilling its statutory obligations in this rapidly changing environment.

### **Memorial Hall**

Charity Commission Listing [war memorial hall - 238850](#)

- It is recommended that BPC obtain sector specific legal advice to assist with the correct management of the trustee obligations. As specified above there should be clear delineation of duties and the obligations outlined in the trust governing document should be scrutinised to ensure full compliance. It appears from the minutes of 1921 that BPC are appointed Trustee (as a corporate body) with the right to appoint 2 members to the committee, however this should be verified by a sector trained legal expert to ascertain the correct compliant process for BPC going forward.

I recommend that the following advice [Local authorities \(or councils\) as trustees of charities - GOV.UK](#) and the NALC Legal Topic note LTN 28, [LTN28-basic-charity-law.docx](#) along with charity commission regulations are used as an aid to assist council. Further supporting reference material regarding trusts has been provided to the clerk.

- Currently the council minutes show that BPC makes decisions relating to Memorial Hall business within council meetings. Memorial Hall business must be conducted as a separate meeting of the Trustees and not merged into the PC agenda. A separate meeting is required under the terms of the charity commission regulations. Failure to follow the correct process could mean that decisions made are invalid.<sup>2</sup>
- There needs to be absolute clarity on asset ownership and responsibility for maintenance
- Whilst the hall is currently self-sufficient BPC should be cognisant of any potential ongoing impact on the precept should the venue become a liability.
- BPC claim back the VAT for the expenditure for the hall (paid out of hall funds) and repay the VAT reclaim monies back to the Memorial Hall bank accounts. As complex

---

• <sup>2</sup> [Charity meetings: making decisions and voting - GOV.UK \(www.gov.uk\)](#)

VAT compliance is outside the scope of the Internal Audit, I sought advice from our VAT and Finance Consultant to assist the clerk and councillors. A copy of this advice has been provided to the clerk by email and should be acted upon as soon as possible.

**It should be noted that the VAT advice is based on the understanding that BPC is a sole trustee and that the proceedings explained to me, as listed above, are a true reflection of the actions being undertaken. This advice may alter should this status change once it has been investigated further. This is general advice and should not be taken as specific advice for BPC without the individual circumstances being scrutinised by HMRC or a sector experienced VAT adviser.**

- It is my recommendation that BPC seek sector appropriate VAT advice prior to commencing any new projects in relation to the Memorial Hall or any new, similar assets within the parish. This will ensure that any VAT arrangements are correctly implemented and utilised for the benefit of the organisation.

### **Employment Matters**

- **Contracts**  
Signed addendums to the clerk and assistant to the parish clerk contracts must be added to reflect current hours, rates of pay and any pension arrangements. As these are already in effect and not in the current contracts these must be (retrospectively) ratified by council (agenda item required). (*Employment Rights Act 1986/ 2025*).
- **Roles and Responsibilities**  
To prevent the potential for ambiguity, and to allow for adequate segregation of trust duties, it is my recommendation that council ensure that the role profiles are clearly identified, and the relevant responsibilities are allocated in relation to council duties and memorial hall duties, ensuring that appropriate time is allocated to the 3 distinct roles (clerk/assistant to the parish clerk/hall admin). With the impending growth of council assets and services this matter will be crucial to ensure effective delivery of services.
- **Contracted staff**  
BPC must satisfy itself that all contractors (warden, litter picker) are working in line with the prevailing HMRC regime and are being correctly classified as self-employed contractors. Incorrect categorisation of status could result in additional employers' obligations and associated financial obligations for BPC. If necessary, appropriate HR guidance should be sought. [Check employment status for tax - GOV.UK](#)

NALC have recently updated their guidance which outlines the statutory duties as an employer [The Good Councillor's guide to employment \(haptc.org.uk\)](#)

*This full report should be circulated to council and reported along with the Annual Internal Audit Report (AIAR). The report informs the answers that full council should give to the assertions in the Annual Governance section of the AGAR.*

<p><b>A. Appropriate accounting records have been properly kept throughout the Year.</b></p>	<p><b>NO</b></p>
--	------------------

Post engagement and post audit meetings I was advised that BPC operate on an income and expenditure basis. I have been unable to verify the accounting position to accurately quantify the difference between boxes 7 and 8 on the AGAR and on that basis have no option but to mark this assertion in the negative.

It appears that BPC have counted expected CIL income as part of the balancing equation- BPC should refer to the Practitioners' Guide as this may contravene the suggested practice. It is unusual to accrue for grants or sums that are not due in lieu of a service.

As BPC has bank balances more than £100,000.00 an investment policy is in place, alongside a reserves policy (both adopted Feb 2025).

The clerk has updated the financial systems to utilise sector appropriate software, and this should now be used to facilitate regular reporting to councillors and residents. This will evidence compliance with both the publication requirements and the council's own governance documents but is also an important tool for risk management.

It is recommended that additional, sector specific training and support in relation to income and expenditure accounting be sourced for the council team.

<p><b>B. The authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.</b></p>	<p><b>YES</b></p>
---	-------------------

Scheme of Delegation adopted May 2025  
 Financial Regulation adopted by full council Sept 2025.

Council complies '*in most significant respects*' however at times it is unclear where original decision making has taken place to approve an action resulting in expenditure or if in fact whether a payment is being made under the clerks' delegation (Financial Regulations 5.15 *Such authorisation must be supported by a minute in the case of council or committee decisions or other auditable evidence trail*).

BPC should ensure that all procedures specified in the financial regulations and standing orders are embedded in their day-to-day processes and adequate evidence is kept of this

(agenda and minute records, wet copy signatures where relevant, regular signing off of invoices and payment schedules).

The clerk should refer to the adopted Financial Regulations and ensure that a payment summary is being placed before council (or relevant committee under delegation) for either payment approval or retrospective reporting of payments made under delegated authority. (Financial Regulations 6.8).

Documented evidence will ensure absolute clarity that all expenditure is being approved by full council, a committee with delegated powers or in association with the clerk under delegated powers. It may assist the clerk and council if all invoices are annotated with the minute reference of when the original decision was determined.

The clerk should be originating all orders, to enable full internal control and in addition to enable them to maintain appropriate HMRC VAT reclaims. In urgent cases the clerk must, as proper officer, be copied in to all orders (that are being carried out under clerk delegated powers or have received prior approval by council).

The clerk receives invoices, adds them to the accounting system and bank for payment. Invoices are stored electronically and are circulated electronically to enable Cllrs to verify these prior to release of payments. Paper copies are also retained. To comply with the Financial Regulations records should be kept of the authorising Cllrs.

Online payments are usually approved with segregation of duties; however, caution should be undertaken if a councillor is a beneficiary in any payment process (Financial Regulation 7.1).

In accordance with Financial Regulation 6.6 council may wish to approve regular contractual payments annually (agenda item required).

There is a council debit card held in the Chairmans name. As the clerk should be authorising all expenditure it is my recommendation that the card be in the clerk's name as RFO and proper officer.

Scrutiny of a sample of invoices confirmed that VAT is deducted at the appropriate levels and that some invoices are correctly addressed. To enable BPC to fully comply with HMRC regulations it is recommended that all invoices are checked to ensure that they are correctly addressed to the parish council and that they are all dated appropriately.

VAT is separated out within the Rialtas accounting software and is reclaimed periodically. *Please see my note above for further details regarding VAT reclaims.*

Grants are made and summarised and reported via the website. There is a grant and donation policy in place.

	<b>YES</b>
--	------------

<b>C. The authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</b>	
---	--

Council complies '*in most significant respects*', however there are some matters that require further attention.

#### Matters Arising and Any Other Business (AOB)

A local council cannot lawfully decide any matter which is not specified in the summons (agenda).

Any decisions made under AOB or matters arising are 'ultra vires' and pose a risk to council of challenge or litigation. For this reason, AOB or matters arising should not appear on any agenda unless it expressly notes that this is a heading to 'note' matters of concern or interest to be raised as a specific agenda item at a subsequent meeting. An extraordinary meeting, with the relevant statutory notices, should be convened for any urgent matters that arise that have not been included on the published agenda.

#### Powers To Spend

Councils are only permitted to act if a relevant power is available. If there is no appropriate power, then expenditure may be made (within statutory limitations) under section 137 of the Local Government Act. On that basis it is imperative that council determine the power, under guidance from the Proper Officer at the point of decision making prior to approving any action or expenditure.

The council insurance policy is provided by Clear Councils, covering the council and the Memorial Hall. Effective date of the policy 01/04/2025 to 31/03/2026.

Fidelity cover £250000 (*this should be kept under regular review due to the large amounts of CIL being received an assessment regarding the adequacy of this should be made immediately due to the current bank balances*)

Employers Liability cover £10million

Public Liability cover £10million

Trustees and Management Liability cover £500000

There appears to be no hirers liability cover in place.

The cover limits should be checked to ascertain if they can be amended if items that do not belong to council are included or if they are 'blanket cover' for example, the policy currently covers playground equipment (BPC do not have any responsibility for playground equipment) and a canopy that are not included in the asset register.

The policy cover for buildings and contents should be cross referenced to the asset register annually and if approved, accepted by council as an annual agenda item. I have been unable to verify the asset register total to the insurance policy-see my note below.

I have been informed that there is membership of the Information Commissioner's Office.

The clerk has arranged full council training to assist councillors in understanding their statutory duties.

There is a comprehensive council risk assessment in place (adopted May 2025). This is a working document and therefore should be regularly reviewed to ensure that its contents remain appropriate. Council should work to embed these practices and to adequately evidence this. Council may wish to extend the scope of this risk assessment by considering financial and operational risks more widely.

I have been informed that risk assessments are undertaken for new projects. As risk assessments are often a requirement to validate insurance cover these should be followed to maintain this risk mitigation.

BPC apply for the relevant licences from HCC for any objects hanging over HCC land or using HCC equipment (ie hanging baskets and Christmas lights).

The clerk has confirmed that insurance cover details are provided by contractors. It is usual (and may be a requirement of your insurance cover) that a risk assessment should also be in place.

A written record should be kept of any maintenance or asset inspections (this is often a statutory requirement to validate insurance cover).

Bank mandates approved by full council (evidence Sept 2025).

There appears to be no evidence of an annual review of the effectiveness of internal control (agenda item required, adopted Financial Regulations 2.4)

Whilst the minutes are signed appropriately the current numbering system does not comply with the lawful format. Council should ensure that the loose-leaf minutes are consecutively numbered<sup>ii</sup>

To complement its suite of policies and procedures BPC may wish to consider the adoption of a complaints policy to ensure there are clearly outlined procedures to follow.

<b>D. The Precept or rates requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored; and reserves were appropriate.</b>	<b>NO</b>
---	-----------

BPC has a Finance and General Purposes Committee that meet 3 or 4 times a year, amongst their duties they have the following scope

Scheme of delegation

*To monitor income and expenditure within the approved budget at least quarterly to report to the council on the current position as compared with expectations when the budget was set.*

*This is also reflected in the adopted*

BPC Financial Regulations

4.10. The agreed budget provides a basis for monitoring progress during the year by comparing actual spending and income against what was planned.

There is evidence of bank balances and reserves being reviewed during 2024/25. Due to the lack of supporting papers and minute evidence, it has not been possible to ascertain whether full compliance at budget setting was achieved by the committee or full council by adequate scrutiny of the performance of the budget against actual spend. It has not been possible to ascertain if this review process was undertaken prior to setting the budget and precept for 2025/26 as there were no minutes online for October 2024 or December 2024.

**All supporting papers must be uploaded with the agenda and minutes as required by law**

Budget for 2025/26 approved at Full Council Meeting January 2025

Precept for 2025/26 agreed (**amount requested should be listed in the minutes**) Full Council Meeting January 2025

Formal precept demand for £92116.00 seen and cross referenced to the public record of precepted amounts and bank statements (received 17<sup>th</sup> April 2025 as part of bank credit £117010.00)

Reserves at 31/3/2026 £381622.39, earmarked reserves are showing as £ 615143 which includes a large sum of CIL money due in after year end, taken into account on an accruals basis, however this methodology should be investigated for appropriateness as the sum does not reach the account until after year end.

**Please note that the following comments relate to budget setting 2026/27.**

Whilst there is a specific agenda item for 'Rialtas reports since last meeting' I have been unable to verify the content due to lack of supplementary evidence.

There is some evidence, Nov 2025 by way of a specific agenda item of partial compliance with the adopted Financial Regulations

**F&GP committee**

**Minutes November 2025**

*The budgets for both the Memorial Hall and the Parish were reviewed, and amendments will be made. The updated budget will be circulated to members of the Finance Committee for approval prior to submission to the full Council meeting in January.*

*Evidence of assessment of reserves and investments to maximise returns during the year.*

However, committees must ensure that any approvals or adjustments are tabled at a properly convened meeting and that decision making is not inadvertently made during email exchange. It may be that in this case approval was not granted but informal comments welcomed prior to approval by full council was requested.

<b>E. Expected income was fully received based on correct prices, properly recorded, and promptly banked; and VAT appropriately accounted for.</b>	<b>YES</b>
--	------------

Council complies '*in most significant respects*', however there are some matters that require further attention.

Community Infrastructure Levy (CIL) reporting and monitoring is undertaken. This report should be uploaded to the website in the required, statutory format<sup>3</sup>

Council should note the time limit of CIL monies and the legislative restrictions on expenditure.

BPC should ensure that it fully complies with all necessary reporting and actions under I&E accountancy practices, at the time of my report this item had not been clarified, particularly in relation to accruing of CIL monies due after year end.

<b>F. Cash payments were properly supported by receipts, all cash expenditure was approved, and VAT appropriately accounted for.</b>	<b>NA</b>
--	-----------

No petty cash held/ no cash payments undertaken.

All expenditure should be undertaken by the clerk, should this not be the case in emergency situations then it is recommended that an expenses policy should be implemented and the financial regulations and scheme of delegation updated where appropriate.

<b>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.</b>	<b>YES</b>
--	------------

BPC complies '*in most significant respects*', and I have therefore marked this in the affirmative, however whilst contracts were in place for both staff members, addendums (as required by law) were not provided for any pay rises (excluding contractual cost of living awards) or pension arrangements (see my note above).

Council outsources the payroll function to an external provider; this provides the security of an additional level of internal controls and governance.

The clerk confirmed that BPC are registered with the Pension Regulator.

The nominal account has been checked to ensure that the AGAR totals do not include any non-staff costs.

There is no Chairmans allowance paid.

<b>H. Asset and investment registers were complete and accurate and properly maintained.</b>	<b>NO</b>
--	-----------

Upon further investigation I have been unable to cross reference the balance on the asset register supplied to either the AGAR value (£1400000.00) or the insurance cover, or to verify the increase to the value from last year (£150000.00) When queried it appears that the AGAR total is the value of the Memorial Hall and does not include any of the other parish

<sup>3</sup> [The Community Infrastructure Levy \(Amendment\) \(England\) \(No. 2\) Regulations 2019](#)

assets. Some items are listed in the document supplied but not all appropriate values are included.

The asset register is an important tool for the management of council assets and subsequent insurance or self-insurance. It must be maintained in such fashion as detailed in The Practitioners Guide and attention should be drawn to the correct inclusion and valuation methodology for any Memorial Hall assets. As a sole trustee reference should be made to section 5.116 of The Practitioners Guide to ensure full compliance.

The asset register correctly includes details of any leases held.

I draw councils' attention to the definition under section 2.23 of the guide for short term investments which may require council to make an adjustment to both the asset register and Box 7 of the Annual return in relation to a 2 year fixed rate bond.

Council may wish to consider a photographic record of assets detailing maintenance reviews as evidence for any potential insurance claims.

The asset register should be reviewed at least annually, prior to review of the insurance policy, adopted by council and published to the website.

<b>I. Periodic bank reconciliations were properly carried out throughout the year.</b>	<b>YES</b>
--	------------

BPC do comply '*in most significant respects*' as they have made immediate adjustments since my first audit visit.

Following my first audit visit a recommendation was made and a councillor has now been appointed to undertake the separate independent reviews outside of the standard regular reconciliation by the clerk and the risk assessment should reflect this.

<b>J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cashbook, supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded.</b>	<b>NO</b>
--	-----------

It was originally understood, at my initial engagement, that BPC were working on a receipts and payment basis.

From the paperwork recently supplied it appears that BPC are using Income and Expenditure accounting (I&E).

From the information supplied at year end it has not been possible to verify the differences between boxes 7 & 8 on the Accounting Statement as the report supplied did not adequately evidence the items taken as accruals, debtors and creditors.

The difference between box 7 and box 8 is £277089. I have been unable to 'prove', from the records supplied at the time of my audit how this difference is reconciled. The actual bank balances have been proven to underlying bank statements at 31<sup>st</sup> March 2026 as

£381622.39 (including the 2 yr fixed rate bond). The AGAR figures have been obtained from the accounting software with guidance from the Rialtas software team.

A creditors and debtors summary was provided. This showed creditors £2930 and debtors £23352 and this was insufficient to reconcile the difference shown and in the absence of an explanation or further evidence I have marked this assertion in the negative.

Reference should be made to the Practitioners' Guide to fully understand the appropriate methodology and further training may be required to provide the clerk with the relevant support and understanding to ensure compliance with the underlying accounting system and to ensure that there is a consistent approach to accruals accounting and the other associated actions required by I&E reporting.

Reference should also be made to any external auditor comments from last year.

<b>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.</b>	<b>N/A</b>
---	------------

BPC was not declared exempt.

<b>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</b>	<b>NO</b>
--	-----------

BPC complies 'in some respects' however I have been unable to mark this section in the affirmative.

Under the ICO publications scheme and the Freedom of Information Act 2000 it is mandatory for all councils to publish certain information as outlined by statute. Whilst BPC has adopted the model ICO publication scheme currently it does not publish all items as required by law. This includes but is not limited to; all supporting reports and papers for its meetings, all items of expenditure over £100, the finalised budget. This is a statutory obligation.

BPC should refer to their adopted publication scheme and ensure that, going forward, all listed information is uploaded, to support all council and committee agendas. This is in addition to any other publication requirements which facilitate full transparency of their decision making.

A retention policy should also be implemented to ensure that all council documents are being retained for the correct statutory terms.

I confirm that BPC do have previous years AGARs published on their website.

BPC must ensure that any Internal Auditor reports are considered on the agenda PRIOR to the Section 1 and Section 2 of the Annual Governance and Accountability Return. Council should review the External Auditor comments from 2025/26.

There is a legal obligation for members register of interests to be published.

[Openness and transparency on personal interests.](#)

BPC received an 'except for' audit response for 2024/25 relating to errors in the figures that were declared and this should be considered when council sign off the AGAR this year.

<b>M. In the year covered by the AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit regulations.</b>	<b>YES</b>
---	------------

Notice for the previous year was dated appropriately and the public rights dates were considered and approved by full council and appropriately minuted.

<b>N. The authority complied with the publication requirements for the 2024/25 AGAR.</b>	<b>YES</b>
--	------------

I can confirm that BPC do have previous years AGARs dating back to 2017/18 published on their website.

<b>O. The authority has complied with laws, regulations and proper practices resulting to digital and data compliance.</b>	<b>NO</b>
--	-----------

Whilst BPC have adopted an IT policy (November 2025) the current accessibility statement on the website has not been reviewed since 2020 and there is no privacy statement as required by law.

Assertion 10 is a new category for all councils to review and determine for audit year 2025/26. The statutory requirements are not new but have been separated out to offer greater clarity. Compliance with Assertion 10 should be assessed by council using the 2025/26 Practitioners Guide (unless council choose to use the updated 2026/27 guide).

In addition, to ensure this area is audited Internal Auditors have been provided with a new control category 'O' which has unfortunately been omitted from the Internal Audit guidance section of the Practitioners Guide for 2025/26. This year I have assessed your council on the basic requirements working with appropriate proportionality to determine compliance.

Council must ensure that full reference is made to all sections of the Practitioners' Guide for 2026/27 to ensure compliance to the enhancements for 2026/27.

<b>P. Trust funds (including charitable) - the Council met its responsibilities as a trustee.</b>	<b>NO</b>
---	-----------

I have been unable to mark this section in the affirmative due to the matters detailed in full in my introduction above.

Bovingdon PC is noted at The Charity Commission as sole trustee of Bovingdon Memorial Hall Charity registration 238550.

The charity filing requirements are noted online as up to date and received on time.

The historic trust deed was unclear. There appears to be a document relating to the original gift of land (21<sup>st</sup> April 1921) and no updates following the subsequent development of that land.

This concludes my narrative report to support the annual internal auditor report.

With a committed clerk, assistant to the clerk and councillor team, working towards excellence governance, BPC will be well placed to deliver its future projects for its community.

I do hope that you find the recommendations useful to support BPC in fulfilling its statutory obligations as a public body. The recommendations, made in line with statutory guidance, once implemented will protect the council as a corporate body, all councillors and the wider BPC team.

I would like to thank both the clerk and assistant to the parish clerk for their organisation and assistance in enabling me to conduct my review, the responsiveness of the clerk has been instrumental in me being able to complete my report.

Whilst the scope of this year's audit was heavily geared towards governance at the request of the clerk and council it is recommended that BPC ensure that the appointment of the Internal Auditor next year ensures, in addition to the relevant sector governance expertise, the appropriate comprehensive knowledge of sector appropriate Income and Expenditure accounting.

Please do not hesitate to contact me should you require any further information or clarity in line with the comments made.

I have attached your signed annual internal auditor report (AIAR).

Yours sincerely,

*Nikki Bugden*

**Nikki Bugden PSLCC**  
**Internal Auditor to the Council**  
**07931 444654**  
**iasnikkibugden@hotmail.com**

Figures provided at the time of my audit.

Balance brought forward	270556
Precept	92116
Total other receipts	414158
Staff Costs	59104
Loan Interest/capital repayments	0
All other payments	59015
Balances carried forward	658711
Total value of cash and short-term investments	381622
Total fixed asset and long-term investments and assets	1400000
Total Borrowings	0

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2025)*. It is a guide to the accounting practices to be followed by local councils, and it sets out the appropriate standard of financial reporting to be followed.

---

<sup>i</sup> LGA 1972, Sch 12, para 10(2)(b)

<sup>ii</sup> LGA 1972, Sch 12, para 41(2)

