

Audit Number	Audit Area	AGAR Ref	AGS Ref	Test Description	Test complete	Comments
1	1. Governance Framework & Statutory Documents	B	2	Confirm Standing Orders are in place, adapted to the Council's needs, and reviewed within the last 3 years.	Yes	Standing Orders were reviewed and agreed in May 2025 - see min ref: 5.8
1	1. Governance Framework & Statutory Documents	B	2	Confirm Financial Regulations are in place, adapted to the Council's needs, and reviewed within the last 3 years.	Yes	Financial Regulation were reviewed and agreed in May 2025 - see min ref 5.8. However the version on the website still says to be adopted. <b>Recommendation 1: That the agreed and dated version of the Financial Regulations from May 2025 is uploaded to the website</b>
1	1. Governance Framework & Statutory Documents	B	2	Review the Council's risk assessment and confirm it is adequate and reviewed annually.	Yes	The Councils risk register was reviewed and agreed in May 2025 - see min ref 5.15. The correct version is available on the website. Playground inspections have also been carried out within the year by the Play inspection company.
1	1. Governance Framework & Statutory Documents	B	2	Confirm procedures for tenders, quotes and procurement comply with Standing Orders and Financial Regulations, and thresholds match across documents.	Yes	These are clear in the Standing orders and financial regulations. There are more detailed thresholds in the financial regulations to cover all circumstances and the thresholds in the standing orders do match.

1	1. Governance Framework & Statutory Documents	B	2	Confirm the Council has a documented process for ordering, delivery confirmation, invoice approval, and what is the evidence that this is done - eg: initials on invoices	Yes	RFO is responsible for checking that invoices meet the order and list them for approval. The Council is then issued with a payment list (this is available on the website and confirmation that they have approved it is in the minutes of that meeting)
1	1. Governance Framework & Statutory Documents	B	2	Confirm any changes to signatories, sweep arrangements or new accounts were formally authorised and minuted.	Yes	There is no sweep in place. Confirmation of 4 authorising signatories on all bank accounts. Clerk carries out original set up of all payments. This was agreed in the May 25 meeting - min ref: 5/19
1	1. Governance Framework & Statutory Documents	B	2	Confirm segregation of duties exists between setting up payments and authorising/releasing them.	Yes	Clerk sets up payments, but is unable to authorise them. There are 4 Councillors who can authorise payments.
1	1. Governance Framework & Statutory Documents	B	2	Confirm debit/credit card controls are in place, including limits and monthly settlement.	Yes	There are no debit or credit cards in place. All payments are made via the bank as DD/STO or BACS. DD and STO were reviewed in the financial committee in June - Min ref 4.6h
2	2. Budgeting, Precept & Financial Monitoring	D	1	Confirm the full authority prepared, considered, approved and adopted the annual budget.	Yes	The Finance committee considered the precept for 2026-27 at the December meeting - min ref 12.5d and made a recommendation to Full Council that the precept be agreed at £379210.00 - see min ref: 12.5e. Full Council agreed the financial committees recommendation and the precept was agreed at the December Council meeting as above. Min ref: 12.7 (a&b).

2	2. Budgeting, Precept & Financial Monitoring	D	1	Confirm the precept requested matches the amount received and recorded publicly.	Yes	The figure of £379,210 matches that reported on the Somerset Council website for 2026-27. The precept received in the year 2025-26 of £345743 matches that on the Somerset Council website for 2025-26
2	2. Budgeting, Precept & Financial Monitoring	D	1	Confirm budget monitoring reports are submitted at least half-yearly, with commentary on variances.	Yes	Budget Monitoring is carried out quarterly and the reports can be found on the Finance section of the website
2	2. Budgeting, Precept & Financial Monitoring	D	1	Confirm a general reserves policy exists and earmarked reserves are reviewed annually.	Yes	There is a dedicated reserve list in Scribe and this includes, insurance excess, CIL payments, S106 payments and contingency for Elections.
2	2. Budgeting, Precept & Financial Monitoring	J	2	If the annual turnover exceeds £200,000: a) have income and expenditure accounts been maintained. b) Debtors and Creditors managed at the year-end	Yes	Income and Expenditure accounts are being maintained in Scribe software. Debtors and Creditors reports were available at the year end with their being no outstanding debts.
3	3. Accounting Records & Cashbook Integrity	A	1	Confirm the carried-forward balance from the prior year agrees to the opening balance of the current year.	Yes	The figures on the AGAR from last year have been correctly carried forward to this year and match in the accounting system. This document is available on the website.

3	3. Accounting Records & Cashbook Integrity	A	1	Check a sample of transactions from the cashbook to bank statements and supporting evidence.	Yes	A sample of 20 invoices were tested. The following recommendation was made regarding invoices: <b><u>Recommendation 2:</u> That as the Parish Council has a dedicated office, all invoices should be to that address (see Ref 408 - Microshade IT).</b> <b><u>Recommendation 3:</u> That a check is carried out on the VAT categorisations in Scribe as some are set at 0% VAT when they should be X - Outside scope</b>
3	3. Accounting Records & Cashbook Integrity	A	1	Confirm S137 expenditure is correctly identified and within limits.	Yes	S137 expenditure is not applicable to South Petherton Parish Council as they have the General Power of Competence, this was re-confirmed at the May Full Council meeting - see Min ref: 5.18
3	3. Accounting Records & Cashbook Integrity	A	1	Confirm all cheques/BACS payments are recorded in the cashbook and visible on bank statements.	Yes	A sample was taken and all BACS payments were recorded in the cashbook and checked to the Feb bank statement. Cheques are not used.
3	3. Accounting Records & Cashbook Integrity	J	1	Verify AGAR Section 2 figures agree to the cashbook/electronic accounts.	Yes	The section 2 figures are created within Scribe and the carried forward balances from last year agreed to the AGAR submission signed for 24-25
4	4. Bank Reconciliation & Treasury Management	I	1	Confirm bank reconciliations are prepared at least quarterly and independently reviewed.	Yes	Monthly bank reconciliations are provided to full Council see example in Nov 25 - Min ref: 11.7d. These are also reviewed quarterly by the Finance committee. See: FGP December ref: 12.4a

4	4. Bank Reconciliation & Treasury Management	I	1	Verify the accuracy of the year-end bank reconciliation and AGAR Line 8.	Yes	All bank statements have been checked and match to the AGAR line 8 total.
4	4. Bank Reconciliation & Treasury Management	C	1	Confirm bank balances do not exceed FSCS protection limits, or appropriate risk mitigation is in place.	Yes	The balances do exceed the protection limits at the year end. However an investment policy is in place and the Clerk uses this to move money to the investment accounts as required. Therefore the limit will only be breached over a short period.
4	4. Bank Reconciliation & Treasury Management	C	1	If balances exceeded £100,000 during the year, confirm an investment strategy was considered and documented.	Yes	There is an investment and reserves policy which was reviewed and agreed in May 2025. This can be seen on the website. The Council has two reserve accounts. The Finance committee monitors the levels along with the Clerk in these accounts
5	5. Income Controls	E	1	Confirm debtor balances are monitored and supported.	Yes	Debtors are monitored within Scribe and were zero at the end of the year
5	5. Income Controls	E	1	For allotments: confirm tenancy agreements exist, registers are maintained, and arrears monitored.	Yes	The Council uses the Scribe Allotment package to manage this. Tenancy agreements are scanned and added to the tenants records. A sample was tested and were all in order.
5	5. Income Controls	E	1	For burials: confirm registers are maintained, memorials evidenced, and fees correctly charged and recovered.	Yes	The Council uses the Scribe Cemetary package to manage this. Burial documents and memorial permissions were attached. A sample was tested and were all in order.

5	5. Income Controls	E	1	Does the Council own or lease a hall. If the Hall is owned but not operated by the Council has the required rent been received. If the Hall is operated by the Council is there a diary system for bookings which can be cross referenced to the payments in the cash book.	Yes	Various community assets are rented out to sports and community groups. A sample of invoices for annual rental were viewed in scribe and payments had been received to cover these. The Council does not operate bookings for any of these facilities, they are managed by the groups.
5	5. Income Controls	E	1	Does the Council hold or issue any leases for assets. If so when are they due for renewal and have rents been reviewed if appropriate.	Yes	The following buildings have leases in place: Scout Hut, Bowls Club, Tennis Club, Pavilion (leases to football and cricket clubs), Youth building and Library. The Pre-school and Chapel (used by a community shed) are in the process of heads of term being agreed. All leases and agreements are due to be reviewed during the 26-27 financial year as a planned project by the Clerk.
5	5. Income Controls	E	1	Does the Council have any other income streams – coffee mornings, baby/toddler group/ twinning/village in bloom etc. If so are there procedures in place regarding the governance of these.	Yes	The Council does not have any other regular income streams however a receipt has been noted in the bank account in Jan which cannot be identified. <b><u>Recommendation 4:</u> That the unknown receipt of £146.62 (rec'd Jan 2026) be investigated and if it cannot be identified it should be returned to the originator. It should also be in a suspense account and not listed as income for the year.</b>

5	5. Income Controls	E	1	Review the systems for handling cash (this is no longer restricted to PETTY CASH). Check that supporting documentation is held for ANY cash transaction and VAT correctly identified.	Yes	A cash receipt was identified in the receipts and tested. This was correctly handled and banked appropriately
5	5. Income Controls	E	1	If the Council hosts ANY type of retail facility eg: Bar or Catering then ensure that Cashing up procedures are in place with reconciliations and Z till reading evidence.	N/A	The Council does not operate catering facilities.
5	5. Income Controls	E	1	Identify amounts receivable on set dates each year, eg: Rental and precept. Ensure that this income has been received is banked and included in the cashbook.	Yes	The rentals have been invoiced and paid within the year.
5	5. Income Controls	E	1	Has the Council received CIL monies. If so, is the summary reconciliation available on the website	Yes	Both S106 and CIL funds have been received in the year. <b><u>Recommendation 5:</u> That the Council ensure that a full listing of all CIL funds used and received is available on the website.</b>
6	6. Expenditure Controls & VAT	B	1	Confirm invoices support expenditure and match minutes authorising payment.	Yes	A sample was tested and invoices were attached to the record in scribe, expect for the expenses claim in Ref: 89. <b><u>Recommendation 6:</u> Ensure that all payments have an associated supporting document. If not ensure that adequate notes are in place to explain why.</b>

6	6. Expenditure Controls & VAT	F	1	Confirm VAT is correctly identified, coded and reclaimed.	Yes	Various samples were tested and discrepancies found with regard to the categorisation of VAT. See Inv ref 31 which should be Outside Scope (X) not (Z) as the suppliers is not VAT registered. <b>See Recommendation 3 above</b>
6	6. Expenditure Controls & VAT	F	2	Confirm VAT reclaims are submitted promptly and repayments received.	Yes	VAT reclaims are now being submitted monthly and are clearly listed in Scribe as receipts coming back into the Council.
6	6. Expenditure Controls & VAT	F	2	Confirm petty cash (if held) is reconciled regularly and VAT on petty cash invoices is correctly treated.	Yes	It was confirmed that no petty cash is held and all cash receipts re promptly banked.
6	6. Expenditure Controls & VAT	B	1	Check that VAT reclaims have been submitted regularly and all repayments received within the following quarter from submission	Yes	VAT reclaims are now being submitted monthly and are clearly listed in Scribe as receipts coming back into the Council.
7	7. Payroll & Staff Costs	G	2	Confirm all staff have formal contracts and any changes are documented and signed.	Yes	The Clerk has a contract in place and this allows for the increase in scale points following achievement of qualifications. <b>Recommendation 7: That a codicil (or appendix) is added to the contract when these addition points are awarded to reflect that the scale point have been increased. This should be signed by the Chairman and reported to Council.</b>

7	7. Payroll & Staff Costs	G	2	Confirm salary calculations match contracted hours and approved pay scales.	Yes	The Clerk has achieved her CiLCA during the year and her Scale Point had been increased to 36. Payslip was checked and Monthly salary is correct. The Assistant Clerk is on salary scale SCP 16.
7	7. Payroll & Staff Costs	G	2	Confirm correct tax codes are applied.	Yes	Clerk and Asst Clerk payslip for March checked. Tax Codes are correct with Asst Clerk being on Basic Rate as has an income from elsewhere. Clerk is on the expected 1257 tax code.
7	7. Payroll & Staff Costs	G	2	Confirm payroll software is up to date.	Yes	The Council uses PATA and outside payroll company to provide their payroll.
7	7. Payroll & Staff Costs	G	2	Confirm tax, NI and pension contributions are correctly calculated and paid.	Yes	NI, Tax and Pension is calculated and employers pension noted.
7	7. Payroll & Staff Costs	G	2	Confirm net pay is correct and paid to staff and agencies.	Yes	Net Pay is correct on the payslips tested.
7	7. Payroll & Staff Costs	G	2	Confirm members' allowances follow proper procedures and tax/NI rules.	Yes	Member allowances are not paid so there are no further checks to be made
8	8. Asset Register & Investments	H	2	Confirm the asset register is maintained, updated for additions/disposals, and recorded at historic cost.	Yes	The register is maintained within Scribe and the printed Fixed asset register was agreed by the Full Council in May 25 - Min ref 5.16

8	8. Asset Register & Investments	H	2	Confirm high-value assets are physically verified or confirmed by declaration.	Yes	The Council has declared by adoption of the fixed asset register that the high value assets exist
8	8. Asset Register & Investments	H	2	Confirm replacement/insured values are updated annually.	Yes	Annual renewals are received and checked before approval
8	8. Asset Register & Investments	H	2	Confirm AGAR Line 9 reflects prior year value adjusted for additions/disposals.	Yes	The Clerk is aware that she needs to add 'restated' on the AGAR form following advice from the auditors last year.
8	8. Asset Register & Investments	H	2	Confirm assets are appropriately insured.	Yes	The insurance schedule is reviewed and updated each year with changes by the Clerk
8	8. Asset Register & Investments	H	2	Confirm long-term investments are included in the investment strategy and AGAR.	Yes	There is a detailed investment and reserves policy
8	8. Asset Register & Investments	H	2	If loans exist: confirm DMO approval, correct accounting, and balances verified.	Yes	The Council does not have any loans
8	8. Asset Register & Investments	H	2	If the Council has loaned funds: confirm the debt is underwritten.	Yes	The Council has not loaned any funds
9	9. Internal Audit & External Audit Processes	C	6	Confirm the Council appointed an independent and competent internal auditor.	Yes	The Council has considered the independence of the internal auditor at the February meeting: Min ref 02.5c and agreed a 3 year contract with Lantern Accounting

9	9. Internal Audit & External Audit Processes	C	6	If the same auditor has been used for 3+ years, confirm alternative quotes were considered.	Yes	The current auditor was first employed last year in a competitive process. Following this they were requested to provide a 3-year quote for 25-26/26-27/27-28, this was agreed by the Council and a declaration of independence from the Internal auditor was received.
9	9. Internal Audit & External Audit Processes	C	7	Confirm the internal audit report was presented to Council, understood, and minuted.	Yes	The internal audit report was considered at the May 25 meeting and recorded in Min ref: 5.20( e )
9	9. Internal Audit & External Audit Processes	C	7	Confirm recommendations from internal/external auditors have been considered and action plans created.	Yes	An action plan was produced by the Clerk to address the recommendations
10	10. Exercise of Public Rights & Transparency	M	4	Confirm AGAR Sections 1 & 2, unaudited statements, and public rights notice were published correctly.	Yes	The Public rights notice dates were available on the website and listed as: 3rd June to the 14th July. However the notice does not include all of the required information such as the details of the external auditor and who to contact to review the documents. <b>Recommendation 8: That the exercise of public rights notice is correctly configured for the 2025-26 period. Either by using the statutory notice or by including all the required information in a bespoke notice.</b>
10	10. Exercise of Public Rights & Transparency	M	4	Confirm the public rights period covered 30 working days including the first week of July.	Yes	The dates advertised included the first week in July

10	10. Exercise of Public Rights & Transparency	M	4	Confirm the public rights dates were agreed and minuted when approving the AGAR.	Yes	At the May Full Council meeting the public rights dates were agreed as published. See min ref: 5.20d
10	10. Exercise of Public Rights & Transparency	K	4	If exempt: confirm exemption was approved and published before 30 June.	Yes	The Council is not exempt and an exemption was not sought.
10	10. Exercise of Public Rights & Transparency	N	4	Have all of the statutory disclosure /publication requirements in relation to the prior years AGAR have been met as detailed on the front page of the current years AGAR	Yes	Section 1,2 and 3 of the AGAR report for 2024-25 were published on the website as required. However the restated AGAR showing the revised Asset figure has not been uploaded. The Clerk is aware of the need to state 'restated' on the 2024-25 figure on the AGAR submission for 2025-26. <b>Recommendation 9: That Section 2 of the 2024-25 AGAR is redrawn with the amended fixed asset figure and published as 'restated' alongside the original.</b>
11	11. Digital & Data Compliance	L	10	Confirm the Council has at least one generic email address hosted on an authority-owned domain.	Yes	<a href="mailto:clerk@southpethertonparishcouncil.gov.uk">clerk@southpethertonparishcouncil.gov.uk</a>
11	11. Digital & Data Compliance	L	10	Confirm the Council's website meets accessibility regulations.	Yes	The Council has agreed an accessibility policy to meet WCAG 2.2 Level AA. There are some know exceptions with regard to older documents. Testing was run to check accessibility by the Internal Auditor and a 93% accessibility rate was found on average across the 4 test pages.

11	11. Digital & Data Compliance	L	10	Confirm Transparency Code requirements are met (expenditure lists, AGAR, audit reports, councillor details, land/buildings, etc).	Yes	As the Council is not exempt from a limited assurance review they do not have to comply with the transparency code, however it is best practice.
11	11. Digital & Data Compliance	L	10	Confirm GDPR training has been completed within the last 2 years.	Yes	Clerk carried out GDPR training with Councillors. Slides cover all topics required
11	11. Digital & Data Compliance	L	10	Confirm the Council has an IT policy reviewed within the last 12 months.	Yes	This was adopted by full Council in January 2026 Min ref: 01.6(d)
11	11. Digital & Data Compliance	L	10	Does the Council have a GDPR/FOI Policy	Yes	A Data Protection Policy was drafted and adopted in May 2025 - See min ref 5.11
11	11. Digital & Data Compliance	L	10	Does the Council have a Retention Schedule and can they confirm that only the required documents are being held over all record media.	Yes	The Council has a retention schedule and work is in progress to ensure that all unnecessary documents have been disposed of as required. Talks are ongoing with Somerset archives re: storing long-term material.
11	11. Digital & Data Compliance	L	10	Did the Council approve the Annual Governance Statement as a whole by resolution with a record made of this in the minutes.	Yes	The AGS was signed at the Full Council May meeting Min ref: 5.20b

12	12. Trust Funds (if applicable)	O	9	Confirm whether the Council is a sole managing trustee.	Yes	The Council is NOT a sole managing trustee. The AGAR declarations confirms this
12	12. Trust Funds (if applicable)	O	9	If so, confirm responsibilities are met, finances are separate, and filing requirements are completed.	N/A	See above
12	12. Trust Funds (if applicable)	O	9	Confirm trust activity is reviewed, including independent examiner reports if required.	N/A	See above