Sparkford Parish Council
Internal Audit Report 2025/26

Internal Auditors Summary:

I have examined the invoices, cashbook, minutes (electronic only from website) and some of the bank account statements (Barclays bank only) for Sparkford Parish Council year ending 31st March 2026. The paperwork that was left with me was not comprehensive.
The council's website is www.sparkford-pc.gov.uk - The website is being updated

The 2024/25 Internal Audit:
It appears that the Parish Council did not commission an Internal Audit for 2024/25

2025/26 Year:
An interesting year for the council. At the start of the municipal year (May) the majority of the Councillors resigned, meaning there wasn't enough council members left to hold formal meetings. Somerset Council appointed some of its Councillors on to the Parish Council so that the Parish Council could continue to function and hold meetings (just one meeting was held using this arrangement in June).
By September, local elections had been held, and the Parish Council had a full membership again. Then by the October meeting, the Parish Clerk had resigned.
There are references throughout the minutes for the rest of the municipal year that information (paperwork & laptop) was unable to be obtained from the outgoing Clerk, making things very difficult for the new council and the Locum Clerk that they had engaged.
A permanent Parish Clerk was appointed in February.

AGAR Box:	Yes / No:	
A	NO	Comments:
		1. The cashbook transaction reference numbers should be introduced both on the agenda and in the minutes for better traceability. 2. There is a third bank account, that should be holding £30,500 - for the upkeep of Dasy Wood – but there is no paperwork on file to show this account/money. 5th January shows £30,500 leaving the Parish Council's bank account to "HTB Account" – the balance of this this account is not recorded in the minutes, there is no paperwork on file. The council needs to be receiving the statements from this account, the balance recorded in the minutes, and a paper copy kept on file. 3. Money has been moving about between the two Barclays accounts without authorisation from the council. The council needs to set a policy for how much it will hold in the savings account and how much in the current account. All transfers should be formally approved by the council beforehand.
B	YES	Comments:
		The council has issued many cheques during the year, this may have been forced upon the council due to the turnover in councillors and clerks – by December the online banking appears to have been up and running again.

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		The Council should exclusively use online banking, ensuing there is a two-person authorisation system in place and completely discontinue the use of cheques. The above comment aside, the council did well throughout a difficult year to have payments authorised by the council and was seeking tenders for projects. All the invoices appear to be in the folder. The VAT re-claim for the previous year was received at the start of the year. For all the change that happened with the council during this year, there has been good standard of control and authorisation of payments. Noted that all the grant application forms on file where not correctly completed, they look like they have been filled in by the same person – my guess is that they have been put on file to serve as a 'receipt' – better would have been a copy of the minutes authorising the payment.
C	NO	Comments:
		No general/financial risk assessment carried out and adopted within the year.
D	NO	Comments:
		Budget setting (26/27): The budget was drafted by a member of the council and presented to the January meeting. The minutes record a 7% increase being agreed – the minutes do not record the agreed precept amount nor any vote being taken. Budget monitoring (25/26): Little evidence that the monitoring of spend Vs budget was taking place throughout year (no paperwork on file/online).; evidence in the minutes that this was improving by the end of the year.
E	YES	Comments:
F	N/A	Comments:
		The Council does not operate a petty cash system.
G	YES	Comments:
		The council uses an external payroll provider. Pay slips are on file.
H	NO	Comments:
		The assets register doesn't record the assets correctly – each individual asset should be listed.. • When purchased? • Individual purchase cost • Insurance value? • Where is the asset? (address) • (Last time a reinstatement valuation was carried out? – for property)
I	NO	Comments:
		No bank recs in the folder. Must conclude that no bank recs have been done within the year.

		Best practice would see the council receiving a monthly bank rec, with this being checked by a non-bank signatory Councillor, against the bank statements. The bank rec and bank statements being signed and then all the paperwork being kept together and presented for audit at the end of the year.
J	YES	Comments:
K	N/A	Comments:
		The Council had a limited assurance review.
L	YES	Comments:
		Registration with the ICO has just taken place; the council needs to agree and issue a Publication Scheme.
M	NO	Comments:
		The AGAR paperwork was adopted by the council in at the end of June (30th). The minutes do not show the council agreeing to the public rights dates. The dates advertised were Wednesday 27th August 2025 to Wednesday 8th October 2025. This time period does not include the first 10 working days of July as required by law. Had the notice been issued the same day as the meeting and started the next day, the council would have complied. NB: The External Audit result had not been received by the end of the financial year (31st March 26)
N	YES	Comments:
O	YES	Comments:
		✓ Adopted IT policy in place ✓ The Clerk is using a council provided email account ▪ Accessibility Statement says the website was last tested in Dec 24 – need to ensure that this is happening at least annually now. ▪ For 26/27 evidence of a data audit will be required.
P	N/A	
		The council is not a sole Trustee of a charity.

Further comments and recommendations not affecting the AGAR checks:

<u>Correspondence – Agenda Item:</u>

This agenda item is not something that you would expect to see in the 21st century on a formal meeting of Local Government agenda. The 'correspondences' that the Parish Council receives is mostly emails, these should be distributed to councillors when received. If there is anything that subsequently needs resolving upon then that needs to be given its own agenda item so that it is clear the business that is to be conducted.

Noted that in February 26 the paying of a grant was approved under this item. That should not have happened.

Financial Regulations:

- There are based on a 2019 model document, a more recent document is available.
- They are on the Finance page of the website, people may expect to find them on the Policies page.

Insurance Contributions:

The minutes record the council collecting in contributions from two outside organisations, presumably on the understanding that the council's insurance covers them as well. I advise the council to get written confirmation of this as its more normal for each organisation to need its own insurance (inc public liability)

Appointment of a Parish Clerk / Officer

The appointment of a Parish Clerk (permanent or temporary) can only be made by the Full Council. In both changes within the year the minutes just record the council being informed of the decision rather than making it.

Ownership of the Village Hall:

There is a charity called "Sparkford Parish Hall" - charity number 204768
The charity is showing as having two trustees.
It therefore looks likely that the Village Hall is 'in Trust' – ie it doesn't belong to the Parish Council, rather it belongs to the people of the parish and has been left for a purpose.
You will need specialist legal advice if the council is hoping to move the hall (build a new one and sell the old).

Other matters:

1. Minutes of 5th January do not record the amounts approved
2. The referencing in the minutes of March 26 is missing

Simon Pritchard PSLCC
councilaudit@outlook.com
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