

Annual Governance and Accountability Return 2025/26 Form 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £15 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2025/26

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
 - The **Annual Internal Audit Report must** be completed by the authority's internal auditor.
 - Sections 1 and 2 **must** be completed and approved by the authority.
 - Section 3 is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2026**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2026** Reminder letters will incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2026
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2025/26

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability Return **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

Publication Requirements

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

Before 1 July 2026 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 2025/26** approved and signed, page 4
- **Section 2 - Accounting Statements 2025/26** approved and signed, page 5

Not later than 30 September 2026 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.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return (AGAR) 2025/26

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty) and is properly signed and dated. Any amendments **must** be approved by the authority and properly initialled.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2026
- The Annual Governance Statement (Section 1) **must** be approved before the Accounting Statements (Section 2) and evidenced by the agenda or minute references, even where approved on the same day.
- The Responsible Financial Officer (RFO) **must** certify the accounts (Section 2) before they are presented to the authority for approval. The authority **must** in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period which **must** be a single period of 30 working days for inspection (this excludes weekends and public holidays) which **must** include the first 10 working days of July.
- **You must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chair, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor **must** be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- Additional costs may be incurred if additional audit work is required.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2025) equals the balance brought forward in the current year (Box 1 of 2026).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights which **must** be a single period of 30 working days for inspection (this excludes weekends and public holidays) which **must** include the first 10 working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2026**

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?	✓	
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?	✓	
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?	✓	
Section 1	For any statement to which the response is 'no', has an explanation been published?	✓	
Section 2	Has the Responsible Financial Officer signed the accounting statements before presentation to the authority for approval?	✓	
	Has the authority's approval of the accounting statements been confirmed by the signature of the Chair of the approval meeting?	✓	
	Has an explanation of significant variations been published where required?	✓	
	Has the bank reconciliation as at 31 March 2026 been reconciled to Box 8?	✓	
	Has an explanation of any difference between Box 7 and Box 8 been provided?	✓	
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested.	✓	

***Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices**, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk

Annual Internal Audit Report 2025/26

BILLINGE CHAPEL END PARISH COUNCIL

WWW.BILLINGEPARISHCOUNCIL.GOV.UK

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.	✓		
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.	✓		
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.			✓
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.	✓	SEE REPORT	
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), agreed to the cash book, 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 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.	✓	SEE REPORT	
P. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

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

Name of person who carried out the internal audit

03/06/2026

Jo O'Donoghue

Signature of person who carried out the internal audit

Jo O'Donoghue (FSLCC)

Date

03/06/2026

*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).

Section 1 – Annual Governance Statement 2025/26

We acknowledge as the members of:

Billinge Chapel End Parish Council

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2026, that:

	Agreed		Yes* means that this authority:
	Yes	No*	
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>
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>
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>
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>
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>
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>
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>
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>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
			✓
10. We have put in place arrangements for the 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>

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

22/6/26

and recorded as minute reference:

FCM 22/6/26 7.5

Signed by the Chair and Clerk of the meeting where approval was given:

Chair



Clerk



<https://www.billingeparishcouncil.gov.uk/>

Section 2 – Accounting Statements 2025/26 for

Billinge Chapel End Parish Council

	Year ending		Notes and guidance
	31 March 2025 £	31 March 2026 £	
1. Balances brought forward	74,664	86,039	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	54,667	57,558	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	12,058	17,620	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	23,302	31,567	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	4,026	4,026	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	28,021	32,731	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	86,040	92,893	Total balances and reserves at the end of the year. must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	86,040	92,893	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	238,461	240,914	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	34,721	32,213	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

For Local Councils Only	Yes	No	
11 Do the figures in the accounting statements above exclude any trust transactions?	✓		For guidance refer to the Practitioners' Guide sections 2.31 to 2.33.

I certify that for the year ended 31 March 2026 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval.



Date

22/6/26.

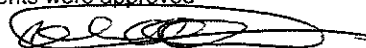
I confirm that these Accounting Statements were approved by this authority on this date:

22/6/26

as recorded in minute reference:

fcm 22/6/26 7.6.

Signed by Chair of the meeting where the Accounting Statements were approved



Section 3 – External Auditor’s Report and Certificate 2025/26

In respect of

Billinge Chapel End Parish Council

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/> .

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2026 and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor’s limited assurance opinion 2025/26

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

3 External auditor certificate 2025/26

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2026

*We do not certify completion because:

External Auditor Name

External Auditor Signature

Date

Bank reconciliation – pro forma

This reconciliation should include all bank and building society accounts, including short term investment accounts. It must be included in the annual report in the column headed "Year ending 31 March 2026" in Section 2 of the AGAR – and will also agree to Box 7 where the accounts are reconciled on a receipts and payments basis. Please complete the highlighted boxes, remembering that unpresented cheques should be entered on a debit basis.

Name of smaller authority: Billinge Chapel End Parish Council

County area (local councils and parish meetings only): Merseyside

Financial year ending 31 March 2026

Prepared by (Name and Role): Karen Newton Clerk/RFO

Date: 31/03/2026

	£	£
Balance per bank statements as at 31/3/2026:		
20312613	92,893.0	
account 2		
account 3		
account 4		
[add more accounts if necessary] account 5		
account 6		
account 7		
account 8		92,893.0
 Petty cash float (if applicable)		-
 Less: any unpresented cheques as at 31/3/2026 (enter these as negative numbers)		
item 1		
item 2		
item 3		
item 4		
[add more lines if necessary] item 5		
item 6		
item 7		
item 8		-
 Add: any un-banked cash as at 31/3/2026		
		-
 Net balances as at 31/3/2026 (Box 8)		92,893.0

Explanation of variances – pro forma

Name of smaller authority: **BILLINGE PARISH COUNCIL**
 County and local councils and **MERSEYSIDE**
 Insert figures from Section 2 of the AGAR in all **Blue** highlighted boxes

Next, please provide full explanations, including numerical values, for the following that will be flagged in the green boxes where relevant:
 • variances of more than 15% between totals for individual boxes (except variances of less than £200);
 • New from 2020/21 onwards; variances of £100,000 or more require explanation; regardless of the % variation year on year.

	2024/25 £	2025/26 £	Variance £	Variance %	Explanation Required?	Automatic responses trigger below based on figures input. DO NOT OVERWRITE THESE BOXES	Explanation from smaller authority (must include narrative and supporting figures)
1 Balances Brought Forward	74,864	86,039				Explanation of % variance from PY opening balance not required - Balance brought forward does not agree, query this	
2 Precept or Rates and Levies	64,867	67,616	2,891	5.29%	NO		
3 Total Other Receipts	12,058	17,920	5,862	46.13%	YES		Total income for the year ended 31 March 2026 was £75,177.64 against a budget of £67,177.64, resulting in a favourable variance of £8,000 (11.9%). This variance is solely attributable to additional restricted grant funding received from St Helens Library Grants during the year, which was not included in the original budget. The grant was awarded during the financial year with specific conditions requiring a portion to be spent by 26 March 2026, with the remaining balance appropriately carried forward in accordance with the funding agreement. The income has been accounted for and applied strictly in line with the grant conditions and supporting documentation. Total expenditure was £65,794.25 against a budget of £64,436.45, resulting in an adverse variance of £1,355.80 (2.1%). This variance reflects a combination of minor overspends across several operational budget headings, driven by in-year cost pressures and activity levels that were not fully anticipated at the budget setting stage, partially offset by underspends in other areas where planned expenditure did not fully materialise. All variances are supported by underlying transaction records, approved budget monitoring reports, and relevant council decisions. Overall, the financial position remains broadly in line with budget expectations when the additional restricted grant income is taken into account, with no evidence of irregular expenditure or misstatement identified.
4 Staff Costs	23,302	31,697	8,285	35.47%	YES		Staff costs for the year were £31,567 against a budget of £23,302, resulting in an adverse variance of £8,265 (35.47%). This variance is primarily due to higher than budgeted employer National Insurance and pension contributions. During the year, two employees were enrolled into the Local Government Pension Scheme, resulting in increased employer on-costs which were not fully reflected in the original budget assumptions. The variance therefore reflects an underestimation of staffing on-costs at the budget setting stage rather than any unapproved or exceptional expenditure. All staffing costs have been incurred in accordance with approved staffing arrangements and properly accounted for within payroll records.
5 Loan Interest/Capital Repayment	4,026	4,026	0	0.00%	NO		
6 All Other Payments	29,021	32,731	4,710	16.81%	YES		All Other Payments for the year were £32,731 against a budget of £28,021, resulting in an adverse variance of £4,710 (16.81%). This variance is primarily driven by higher than anticipated expenditure on subscriptions, unbudgeted events, and increased administrative and operational costs. These pressures were partially offset by underspends in other areas, including maintenance and planned project activity where expenditure was lower than originally forecast or not fully incurred within the financial year. Overall, the variance reflects a combination of in-year cost pressures and timing differences in delivery of planned activities rather than any irregular or unapproved expenditure, with all costs properly supported by underlying records and approved in accordance with council procedures.
7 Balances Carried Forward	88,940	92,893				VARIANCE EXPLANATION NOT REQUIRED	
8 Total Cash and Short Term Investments	88,940	92,893				VARIANCE EXPLANATION NOT REQUIRED	
9 Total Fixed Assets plus Other Long Term Investments and	235,461	240,141	2,453	1.03%	NO		
10 Total Borrowings	34,724	32,213	-2,508	7.22%	NO		

Rounding errors of up to £2 are tolerable

Variances of £200 or less are tolerable

BILLINGE CHAPEL END
PARISH COUNCIL
INTERNAL AUDIT 2025-2026
YEAR-END REPORT
3RD JUNE 2026

Signed: *Jo O'Donoghue* FSLCC

IA-ODONOGHUE.COM
231 Hartford Road
Davenham
Northwich
Cheshire
CW9 8JT



Internal Audit Forum
The Audit & Accountability Institute

BILLING

The internal audit of Cuddington Parish Council has been carried out by undertaking the following tests as specified in the SAPP Practitioners' Guide 2025.

- Checking that books of account have been properly kept throughout the year
 - Checking a sample of payments to ensure that the Council's financial regulations have been met, payments are supported by invoices, expenditure is approved, and VAT is correctly accounted for
 - Reviewing the Council's risk assessment and ensuring that adequate arrangements are in place to manage all identified risks
 - Verifying that the annual precept request is the result of a proper budgetary process; that budget progress has been regularly monitored and that the council's reserves are appropriate
 - Checking income records to ensure that the correct price has been charged, income has been received, recorded and promptly banked and VAT is correctly accounted for
 - Checking that salaries to employees have been paid in accordance with Council approvals and that PAYE and NI requirements have been properly applied
-

Billinge Chapel End Parish Council Internal Audit Report 2025-2026			
Internal Control Objective	Testing	Recommendation	Outcome (2026-2027) testing) by IA
<p>A. Appropriate accounting records have been properly kept throughout the year.</p>	<p>A1. The accounting system in use is Excel and enables the production of the Annual Accounting Statement and regular bank reconciliations. A2. The council's accounting records are accurate, up to date and well maintained.</p>	<p>1. It is understood that it will become mandatory, over the next 2 years, for local councils to use sector-specific accounting software and it is therefore recommended that the Council consider this.</p>	
<p>B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for.</p>	<p>B1. The Council has in place a set of Financial Regulations and Standing Orders and these have been subject to regular review. B2. Standing Orders and Financial Regulations specify the same tender thresholds. B5. The Council has approved the payments in accordance with the requirements of its Financial Regulations. B6. The Council has in place effective controls on the making of payments.</p>	<p>2. Recommended the date of approval and minute references of both the Finance Regs and Standing Orders is added to the policy document and published on the website. 3. A suitably designed certification stamp should be in place providing for evidencing of these checks and payment authorisation and applied to all invoices.</p>	

<p>C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</p>	<p>C1. The council has carried out a review of risk during the financial year. C2. The council has got in place a Risk Register, and Risk Policy, which sets out the risks that the council faces and how it intends to address these and that this has been subject to formal review. C3. The Council holds fidelity insurance set out at £250,000 which is appropriate.</p>	<p>4. The Council should consider adding cyber security to the insurance schedule.</p>	
<p>D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.</p>	<p>D1. The Council prepared and formally approved a budget for the year prior to the setting of the precept. D2. The Full Council has considered, approved and adopted the annual precept, for the year subject to internal audit, prior to the statutory deadline of 1st March. D4. The Council has reviewed budgetary reports however there is no evidence that significant variances have been subject to detailed query/review. D5. The precept received during the year agrees to the precept raised by the council. D6. The precept received during the year agrees to central government records.</p>		
<p>E. Expected income was fully received based on correct prices, properly recorded and banked; VAT appropriately accounted for.</p>	<p>E1. VAT was appropriately accounted for.</p>		
<p>F. Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for</p>	<p>N/A</p>		

<p>G. Salaries to employees and allowances to members were paid in accordance with the authority's approvals, and PAYE and NI requirements were properly applied.</p>	<p>G1. A formal employment contract is in place for staff. G2. Staff salaries, gross pay due is correctly calculated in accordance with contract terms and conditions. G4. The council has submitted RTI returns to HMRC and made payments due as required.</p>		
<p>H. Asset and investment registers were complete and accurate and properly maintained.</p>	<p>H1. The asset register is up to date and properly maintained. H2. The Council has not got in place a process for the regular physical verification of its assets.</p>	<p>5. The Council should formally approve a process for regular physical verification of its assets and align the insurance schedule to the assets register. Additions and disposals records should allow tracking from the prior year to the current.</p>	
<p>I. Periodic bank account reconciliations were properly carried out during the year.</p>	<p>I1. Bank reconciliations are prepared regularly, for all Council bank accounts.</p>		
<p>K. If the authority certified itself as exempt from a limited assurance review in the prior year, it met the exemption criteria and correctly declared itself exempt.</p>	<p>N/A</p>		
<p>L. The authority publishes information on a free to access website / web page, up to date at</p>	<p>L1. The Council has not published, for the prior financial year, all the information as required by the Transparency Code 2015:</p>	<p>6. The Council is advised to include the location of public</p>	

<p>the time of the internal audit in accordance with any relevant transparency code requirements</p>	<p>(a) Location of public land and building assets L2. A Publication Scheme is available on the website.</p>	<p>land and building assets within the asset register.</p>	
<p>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.</p>	<p>M1. The Council complied with the regulations.</p>	<p>7. It is recommended that the Council formally approve the dates for the Period for the Exercise of Public Rights</p>	
<p>N. The authority complied with the publication requirements for the prior year AGAR.</p>	<p>N1. The Council published the Annual Governance Statement on its website together with the Accounting Statements on the website within the proposed timescale N2. The Council published the External Auditor report on its website together with Notice of Conclusion of Audit on its website.</p>		
<p>O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.</p>	<p>O1. There is a published IT policy available on the website in accordance with Assertion 10. O2. The council has published an accessibility statement. O3. The Council has partially compliedⁱ</p>	<p>8. Recommended adoption of the policy available through NALC.</p>	
<p>P. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee</p>	<p>P1. The Council is not a trustee.</p>		

ⁱ Based on a review of the publicly available accessibility information, Billinge Chapel End Parish Council has published an accessibility statement which states that the website has been tested against WCAG 2.2 AA and is partially compliant with the standard. The statement includes the required elements under the Public Sector Bodies (Websites and Mobile Applications) Accessibility Regulations 2018, including compliance status, known accessibility limitations, contact details and an enforcement procedure.

NOTES:

1. Minutes are published in Word format with a Draft watermark and these do not meet the requirements for website accessibility. A screen reader is unable to read the documents and it is recommended that they are published in PDF format.
2. At the meeting of the Parish Council held on 19th May 2025 the first agenda item should have been to elect the Chair followed by election of the Vice Chair. The appointments are also described as Officers when they are Councillors and the meeting minutes are reported to be Minutes of the Annual Parish Meeting when they are the minutes of the Annual Parish Council Meeting.
3. It is recommended that any new policies or procedures approved over the year should contain the minute reference from the meeting where they are approved.
4. The AGAR form provided (Annual Governance Report) 2025-2026 has been completed before the Internal Audit Review has been completed or the report received.
5. Whilst a statement of variances has been provided it is recommended that there is more detail within the statement as follows:
External audit requires a detailed explanation of variances because auditors must obtain assurance that the council's finances are:
 - properly accounted for,
 - supported by evidence,
 - lawful,
 - and consistent from year to year.For parish and town councils, the "Explanation of Variances" is a key part of the AGAR review because it helps the auditor understand why figures have changed materially between one financial year and the next.
Typical triggers are:
 - increases or decreases greater than 15%, and
 - differences over £200 (for smaller councils the thresholds can vary slightly depending on AGAR guidance).The auditor is looking for evidence that:
 - the council understands its own finances,
 - there is a legitimate reason for the change,
 - the movement is supported by council decisions and records, and there is no indication of error, omission, or improper expenditure.
 - election costs,

Internal Audit Report 2025/26 – Summary – Karen Newton (Clerk)

The Internal Auditor completed the year-end audit on 3 June 2026 and found that the Council's financial records, banking arrangements, payroll, VAT accounting and general financial controls are operating satisfactorily.

The auditor made several recommendations to improve governance and compliance. The main areas identified for action are:

- Introducing a formal process for checking Council assets and ensuring the asset register matches the insurance schedule.
- Adding the location of public land and buildings to the published asset register to meet Transparency Code requirements.
- Publishing meeting minutes in a more accessible format on the website.
- Ensuring future AGAR documents are completed only after the Internal Audit has been received.

The auditor also suggested several good practice improvements, including:

- Adding approval dates and minute references to policies.
- Introducing a formal invoice authorisation process.
- Considering cyber security insurance.
- Improving budget variance reporting.
- Formally approving the dates for the Exercise of Public Rights.

Overall, the audit was positive and did not identify any significant weaknesses in the Council's financial management. The recommendations are largely aimed at strengthening existing procedures and ensuring continued compliance with governance and transparency requirements.