Internal Auditor Report

2025-26

Midgham Parish Council

Bridget Knight FSLCC CiLCA PiALC

5th May 2026

Contents

Introduction.

An internal audit of Midgham Parish Council's Governance and Internal Controls was undertaken as part of the audit for 2025-26.

A review of controls and systems including sample testing has been undertaken to ensure compliance and proper management. The process has included sample testing of transactions to help identify risks and weaknesses.

The matters raised in the report are only those that came to attention during the internal audit work, this is based on the information provided and documents reviewed and does not give a guarantee that material errors, loss or fraud does not exist.

Scope of Internal Audit.

The internal controls of Midgham Parish Council have been reviewed for 2025-26.

The following areas have been covered:

- Bookkeeping.
- Payments.
- Internal Controls.
- Expected income – including proper recording.
- Petty Cash (if applicable).
- Payroll.
- Asset Controls.
- Bank Reconciliations.
- Accounting Statements.
- Trust Funds (if applicable).
- Local Government Spending Powers.
- Policies.
- Minutes.
- Any outstanding audit actions.

Findings and Actions.

Internal Audit Section	Function	Findings	Recommendations
A	Accounting Records	Excel spreadsheet is used for accounts.	Possible accounting system such as Scribe for ease especially at year end.
B	Financial Regulations	Payments were supported by invoices, approved payments shown in minutes. Expenditure was approved and VAT accounted for.	To claim VAT using Form 126. You can claim up to four years worth.
C	Risk Assessments	Financial risk assessment not available online.	Conduct financial risk assessment.
D	Precept	The precept was decided through the budgetary process, approved by full council in December.	None.
D	Budgets	Budget was set in January and reviewed regularly.	None.
D	Reserves	Reviewed by council.	None.
E	Income Controls	Income was received as expected and accounted for.	None.
F	Petty Cash	None.	
G	Payroll	No evidence of payments being made to HMRC.	To appoint payroll provider to help with this, contact HMRC to check registered as employer.
H	Assets	The asset register is maintained.	None.
I	Bank Reconciliations	Bank reconciliations are completed.	None.
J	Accounting Statements	Correct accounting basis and agree to cash book.	None.

Findings and Actions.

Internal Audit Section	Function	Findings	Recommendations
K	Exemption	Correct.	None.
L	Website	Correctly shows document.	None.
M	Period of public rights	Correctly shown on PC website.	None.
N	Publication requirements	Conclusion of audit, AGAR etc available on PC website.	None.
O	Digital and Data Compliance	The Clerk correctly has a Midgham email address. IT policy in place.	All council websites must comply with **WCAG 2.2 AA standards**
P	Trust Funds	n/a	None.

Other items.

Local Government Spending Powers.	Decisions are taken properly in public meetings and spending powers are considered responsibility.
Policies.	The Financial Regulations and Standing Orders adopted by the Council.
Members pecuniary interests.	Not shown in Midgham PC website or West Berks website – check held on file.
Minutes.	Minutes are available on the Council's website for residents to read.
Annual Meeting.	Annual meeting of the Parish Council is held correctly in May.
Review of internal audit for last year	No issues noted.
Qualifications from previous year	None.
External audit for last year.	None.
Year End Process.	All income and expenditure has been correctly accounted for.
Financial Statements.	Council balances have been reported correctly.
Annual Review	Forms prepared.
Insurance	Insurance is correctly in place and council has agreed adequate.

Summary.

Midgham Parish Council has a new Clerk employed for limited hours.

It would be good adopt a PC accounting package to assist the Clerk especially at year end.

There are reviews needed such as checking HMRC being paid correctly, check website compliancy by testing.

This is based on the internal audit and sample testing.

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7th May 2026