**REPORT BY THE INTERNAL AUDITOR TO LEVENS PARISH COUNCIL**
**FINANCIAL YEAR ENDING 31 MARCH 2026**

I confirm I have on the 29th April 2026 undertaken an internal audit for the period 1st April 2025-31st March 2026 in accordance with the Account and Audit Regulations (England) 2015 as outlined and incorporating any new requirements in the "Governance and Accountability for Smaller Authorities in England" March 2025

The following areas have been assessed to ensure the internal financial controls and governance procedures are appropriate and relevant to Levens Parish Council.

The areas covered in the audit are noted below.

**A. Appropriate accounting records have been properly kept throughout the financial year.**
The Council operates Receipts and Payments Accounts ,as required by the Regulations, in Excel spreadsheets. The Cashbook is maintained and up to date. There were no arithmetical errors and there is a clear audit trail and a checking system for data input into the computerised records.
It is confirmed that the prior year cashbook balance as confirmed by the bank reconciliation 31st March 2025 and recorded in the AGAR 1st April 1025 as the opening balance for the 2025-2026 Financial year has been correctly carried forward.

**B. The authority complied with its Financial Regulations; invoices supported payments, all expenditure was approved, and VAT was appropriately accounted for.**
The Clerk/ Responsible Financial Officer (RFO) produced comprehensive financial information, which provided evidence of a sound system for the approval of payments and verification of invoices.
The VAT reclaim for the period 1st January 2026– 31st March 2026 - £986.07 is confirmed by the appropriate recording in the cashbook. Claims are made within the appropriate timescale to adhere to HMRC requirements.

**C. The authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.**
The Council throughout the year regularly reviews, approves and adopts a comprehensive range of policies all of which are displayed on the website.

**D. The precept requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored. Reserves are appropriate.**

A precept of £16174.00 for the 2026-2027 financial year was approved at the meeting held 13th January 2026- Minute No. 84/25,which is correctly demanded from Westmorland and Furness Council well within the allotted time scale
Regular budget comparisons are received at Council. Earmarked reserves are identified.
External Audit recommends that cash reserves should be held between three to twelve months budgeted total expenditure.
Above Levens Parish Council has available cash balance at the bank as of 31st March 2026 of General Reserve £15971; Earmarked Reserves £5934; Ring fenced £1,526,405
Earmarked Reserves

**E. Expected income was fully received based on correct prices, properly recorded and promptly banked. Vat was appropriately recorded.**
Levens Parish Council has income from other sources which are clearly identified and attributed to the appropriate budget heading. VAT is recorded and claimed as appropriate.

**F. Cash payments were properly supported by receipts, all cash expenditure was approved and VAT accounted and reclaimed.**
All Clerk's Expenses are presented for payment on the accounts schedule of payments. Receipts are filed with invoices and VAT is noted and reclaimed as appropriate.

**G. Salaries to employees and allowances to members were paid in accordance with the council's approvals. PAYE and NI requirements were properly applied.**
PAYE is operated externally but checked in house.
All returns to HMRC are up to date and verified by the year- end P60. The correct tax code has been operated.
Members do not receive an allowance.

**H. Asset and investment registers were complete and accurate and properly maintained.**
The asset register is reviewed and approved annually ,while acquisitions and disposals are recorded.as they occur. The asset register records assets of £142096 which is correctly recorded in the 2025-26 AGAR.
The council does not hold investments.

**I. Periodic bank reconciliations were properly carried out during the year**
There is a clear audit trail from the bank statements, regularly verified bank reconciliations, which confirms payments recorded in the Minutes.
The year- end bank reconciliation is accurate and correctly recorded in Box 8 of the AGAR.

**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 trail from underlying records and where appropriate debtors and creditors were properly recorded.**
Levens Parish Council has correctly kept accounting records in Receipts and Payments in Excel spreadsheets.

**K. If the authority certified itself as exempt from a limited assurance review in 2024/25, it met exemption criteria and correctly declared itself exempt.**
Not applicable to Leven Parish Council.

**L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with relevant legislation.**
Levens Parish Council has income/and or expenditure in excess of £25,000. Compliance remains good practice

**M. The authority has, during the previous year, correctly provided for the exercise of public rights as required by the Account and Audit Regulations.**
Regulation 15(2) Accounts and Audit Regulations 2015 require the Responsible Financial Officer (RFO) to publish a Notice of Public Rights of inspection of accounts for a period of thirty days which must include the first 10 working days in July. Inspection of the website confirmed that a notice was published 11th June 2025 with the inspection period from 13th June 2025 – 24th July 2025.

**N. The authority complied with the publication requirements of the prior year AGAR**
The Accounts and Audit (England) Regulations 2015 (S1 2015/234) as amended by the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 (SI 2020/404) requires a Council to publish, as soon as reasonably practicable, after the conclusion of the audit, a statement on the website advising that the 2024-25 Audit has been completed
The clerk has undertaken the requirement to publish the Annual Governance and Accountability Return, (AGAR) together with all relevant statutory documents, upon receipt from the External Auditor on the Council website and within the deadline dates. Published 17th September 2025.

**O. The authority has complied with laws, regulations and proper practices relating to digital and data compliance.**
Levens Parish Council provided evidence, clearly documented in the Minutes – 10th March 2026 – Minute No. 112/25 i.ii,iii,that it is actively seeking to complete the following to ensure compliance prior to the submission of the 2025-26 AGAR.
Establish a compliant and accessible stand-alone website for Levens Parish Council.
Secure .gov.uk as the domain name for Levens Parish Council
Secure .gov.uk email addresses for the Clerk and Councillors.
Further compliance has been evidenced by the existence of an IT Policy and Data Protection Policy which are regularly reviewed.

I conclude and report that the Clerk/Responsible Financial Officer (RFO) has maintained a high standard of recordkeeping, which has simplified the audit process. The Council's control systems are efficient and effective and give the appropriate level of confidence, that the financial statements and reports reflect a true and accurate account of the Council's finance and governance records.

G D Airey

**Georgina D Airey – Internal Auditor 29th April 2026.**