**FINAL REPORT BY THE INTERNAL AUDITOR TO APPLEBY TOWN COUNCIL**
**1ST OCTOBER 2026 - 31ST MARCH 2026**
**FINANCIAL YEAR ENDING 31ST MARCH 2026**

## Introduction

This final report for the financial year 1st April 2025 to 31st March 2026 covers elements required by the Account and Audit Regulations (England) 2015, which were not covered in the interim report for the period 1st April 2025– 30th September 2025.

I confirm I have on the 19th May 2026 undertaken a final audit which covers the period 1st October 2025 to 31st March 2026 in accordance with the Account and Audit Regulations (England) 2025 approved by Council and incorporating any new requirements as outlined in "Governance and Accountability for Smaller Authorities in England" March 2025

**Appropriate accounting records have been kept throughout the year.**

The completed 2026 Annual Governance and Accountability Return (AGAR) confirms that the closing balance on 31st March 2025 has been correctly carried forward to 1st April 2025 to commence the financial year ending 31st March 2026.
The bank reconciliation on 31st March 2026 correctly reflects the balances on all bank accounts.
The Council, having reserve cash funds in excess of £100,000, has identified the need for an investment strategy with clear aims and objectives, namely, to consider security, liquidity, and yield, here listed in order of priority.
The Council has an Investment Strategy and General Reserves Policy which are subject to regular review.

**The authority complied with its financial regulations, invoices supported payments, all expenditure was approved, and VAT was accounted for.**

The rigorous tendering process for goods and services was evidenced by the documentation made available. All tenders and quotes adhere to the up-to-date Financial Regulations.

A selection of financial transactions was reviewed in excess of £2000.00 all were supported by a clear audit trail, with invoices including a voucher number which was evident on the schedule of payments approved by Council, and the bank statement.
Vat reclaims are prepared on a quarterly basis.
The claim for the final quarter of the financial year 1st January 2026 - 31st March 2026 had been reconciled and submitted to HMRC -£5333.97

**The authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.**

All aspects of this section were covered in the interim report. Further financial and other risks are identified throughout the year.

**The Precept requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored and reserves are appropriate.**
The Responsible Financial Officer (RFO), with full explanations of the recommendations, prepared a budget report and it was presented to the Finance Committee for approval and development, prior to recommendations being made to Council. The Council approved the submission of the precept demand. – Meetings – Finance Committee12th January 2026 – Minute F4/01/26. Town Council 21st January 2026 – Minute C4/01/26.
A Precept amount for the 2026/2027 financial year of £168,330 was forwarded to Westmorland and Furness Council.

The Council receives regular budget monitoring reports and where appropriate makes the necessary virements.

Appleby Town Council has total cash balances as of 31st March 2026 of £144,814 as correctly recorded in box 7 of the AGAR. General Reserve -£134,560.
Ring Fenced Reserve - £7,127. Earmarked Reserve - £2559

**Expected income was fully received based on correct prices, properly recorded and promptly banked and VAT appropriately accounted for.**
The Council has income from several sources other than the Precept. Where received, it is properly recorded and promptly banked.

**Cash payments were properly supported by receipts, cash expenditure was approved, and VAT appropriately accounted for.**
Sums incurred on Debit Cards are fully supported by invoices/receipts. VAT is identified and purchases are allocated to the appropriate budget headings.

**Salaries to employees and allowances to members were paid in accordance with the authority's approvals and PAYE and NI requirements were properly applied**
All payments reflect salary scales approved by Council. Returns to HMRC are processed by the external accountant. The record with all deductions for staff was properly prepared and available for inspection.

**Assets and investments register were completed and accurate and properly maintained.**
The Asset Register for the current financial year has been completed with a reconciliation to outline all acquisitions and disposals. The document is reviewed annually, to a scheduled timetable, ensuring accuracy for completion of the 2025-2026 AGAR. – Assets Recorded - £5,046,139.

**Periodic bank reconciliations were properly carried out during the year.**
Bank reconciliations are carried out monthly and confirmed for accuracy by the signature of a member on the corresponding bank statements.

**Accounting statements, during the year were prepared on the correct accounting basis – income and expenditure , all schedules, etc agreed and were supported by an adequate audit trail from the core accounts.**
**Debtors and Creditors were properly recorded.**
The Council accounts are prepared on an Income and Expenditure basis as required by the Accounts and Audit regulations being an authority with income/ expenditure in excess of £200,000. The final accounts clearly identify Debtors, Creditors, Receipts in Advance, and Accruals. It is confirmed that the Council is fully compliant with requirements to publish on the website information in line with relevant legislation.

**The Authority published the required information on a website up to date at the time of the internal audit in accordance with the relevant legislation.**
Confirmation of compliance was documented in the Internal Auditor's Interim Report.

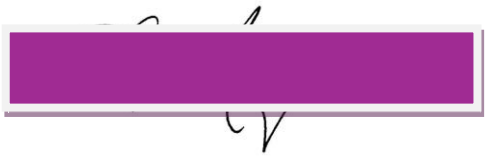
**In the year covered by this AGAR the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations.**
Confirmation of compliance was documented in the Internal Auditors Interim Report.

**The authority has complied with the publication requirement for 2024/25 AGAR**
Confirmation of compliance was documented in the Internal Auditors Interim Report. The return of the External Auditor report was received at Council – Meeting 13th October 2025 F7/10/25 advising of minor matters, which have been addressed.

**The authority has complied with laws, regulations and proper practices relating to digital and date compliance**
To verify compliance evidence has been produced to confirm that Appleby Town Council has all of the following:-
www.applebytown.gov.uk an accessibility website which has achieved a 96% compliancy rating.
All officers and Councillors have emails with a .gov.uk domain name.
A Privacy Policy;
Data Protection Statement, Freedom of Information Policy, Social Media Policy, Electronic Communication Policy.
Evidence has been produced to confirm that an I.T. Policy will be adopted prior to the submission of the 2025-26 AGAR.

The External and Internal Audit reports confirm that Appleby Town Council has fulfilled its statutory obligations, and all finance and governance comply with legislation. The comprehensive website ensures the electorate is fully aware of the use of all public funds.

I wish to express my appreciation to the Town Clerk/Responsible Financial Officer and Administrative Assistant for the preparation of all relevant financial documents and reports.



Georgina D Airey - Internal Auditor – 19th May 2026.