Internal Audit Report for

for the period ending 31 March 2026

Clerk	Sue McCormack
RFO (if different)	Jeff Hayward
Chairperson	Anne Jessop
Precept	£10,000.00
Income	£18,651.40
Expenditure	£20,053.91
General reserves	£1,952.24
Earmarked reserves	£17,000.00
Audit type	Annual – non-exempt authority
Auditor name	Debbie Frost

Introduction

The primary objective of internal audit is to review, appraise and report upon the adequacy of internal control systems operating throughout the council. To achieve this SALC adopt a predominantly systems-based approach to audit.

The council's internal control system comprises the whole network of systems established within the council to provide reasonable assurance that the council's objectives will be achieved, with reference to:

- the effectiveness of operations
- the economic and efficient use of resources
- compliance with applicable policies, procedures, laws, and regulations
- the safeguarding of assets and interests from losses of all kinds, including those arising from fraud, irregularity, and corruption
- the integrity and reliability of information, accounts, and data

Methodology

When conducting the audit, the internal auditor may:

- conduct a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year in order to be able to complete the Annual Internal Audit Report 2025/26 of the Annual Governance and Accountability Return (AGAR)
- review the reliability and integrity of financial information and the means used to identify, measure, classify and report such information
- review the means of safeguarding assets and, as appropriate, verify the existence of such assets
- appraise the economy and efficiency with which resources are employed, identify opportunities to improve performance and recommend solutions to problems
- review the established systems to ensure compliance with those policies, procedures, laws, and regulations which could have a significant impact on operations, and determine whether the council complies
- review the operations and activities to ascertain whether results are consistent with objectives and whether they are being conducted as planned

Section 1 – Financial Regulation and Standing Orders The internal auditor will check the date the Council conducted its annual review of both Standing Orders and Financial Regulations and in particular check if these are based on NALC'S latest model which include legislative changes.		
Evidence		*Internal auditor commentary*
Have Standing Orders been adopted, up to date and reviewed annually?	No	The Standing Orders as seen on the Parish Council's website, shows an adopted date of 7 December 2023, although there is no minute to specifically confirm that Standing Orders have been reviewed and adopted. **RECOMMENDATION: The latest model published by the National Association of Local Councils (NALC), was in April 2025. NALC have updated section 18 to comply with new procurement legislation and ensures consistency with the NALC Model Financial Regulations. The changes are to 18a.v, 18c and 18f. NALC have also updated Model Standing Order (England) section 14 to better reflect Code of Conduct requirements. 14a, 14b and 14c have been removed. They have also changed the language in the document to gender-neutral terms to align with the Civility and Respect Policy. Council should look to adopt the latest revision of the NALC Standing Orders to ensure compliancy.**
Are Financial Regulations up to date and reviewed annually?	No	Financial Regulations, as seen on the Council's website, are based on an out of date model published by NALC in 2019. Council approved its Financial Regulations at a meeting of council held 10 November 2025. **RECOMMENDATION: The latest model published by the National Association of Local Councils (NALC was in March 2025 with provisions included as outlined under NALC Advice Note – Procurement, 3 February 2026** link to view the advice note . **Council**

		should look to adopt the latest revision to ensure compliancy.
Has the Council properly tailored the Financial Regulations?	Yes	The Council's Financial Regulations have been tailored to the Parish Council.
Has the Council appointed a Responsible Financial Officer (RFO)?[1]	Yes	In accordance with Section 151 of the Local Government Act 1972 (financial administration), the Council has appointed a person (the Clerk) to be responsible for the administration of the financial affairs of the relevant authority. This was confirmed by full Council at its meeting on 11 May 2026. *Comment: In accordance with legislation:* *The proper segregation of duties means that the Chairman of the authority or of the Finance Committee should never be appointed (even on a short-term basis) either as Clerk or as RFO; other members may perform these roles, unpaid, on a short-term basis providing appropriate safeguards are in place or if their appointment is unavoidable to ensure statutory functions continue to be fulfilled.*
Additional comments:		

[1] Section 151 Local Government Act 1972

Section 2 – Budgetary controls The internal auditor will seek verification that budgets are properly prepared, agreed and monitored. In particular they will look for evidence of good practice in that the key stages of the budgetary process have been followed		
Evidence		Internal auditor commentary
Verify that budget has been properly prepared and agreed	Partially	The budget for the year 2025/2026 was approved at the Council meeting of 13 January 2025 although there is no clear confirmation within the minutes as to the final budget figure being set. No budget papers were seen on the website for the year 2025-26.. *COMMENT: to ensure transparency in the budgetary process Council might wish to evidence, by recording within the minutes, the budget being set alongside the reasoning for such a budget and provide details on the precept and implications for Band D Council Tax..*
Verify that the precept amount has been agreed in full Council and clearly minuted	Yes	The precept for the year 2025 – 2026 was discussed and approved at the meeting of 13 January 2025 and set at £10,000. *COMMENT: in accordance with best practice, council might wish to record in the minutes the precept being set and the impact that this would have on a Band D Dwelling in monetary as well as percentage terms.*
Regular reporting of expenditure and variances from budget	Partially	The minutes evidence that Council carried out its regular review covering the budget for the current year with a review of income and expenditure against budget along with forecasts for the remainder of the year on 12 August 2025 and again after year end on 7 April 2026. *COMMENT: Council is advised to consider either implementing, in accordance with its own standing order Accounts and Accounting Statements 17c a quarterly statement showing evidence of comparisons*

		between budgeted and actual income and expenditure to form the basis of approval for virements in accordance with Council's own Standing Orders or amend Standing Order 17c to reflect the frequency with which budget monitoring exercises are carried out.
Reserves held – general and earmarked[2]	Yes	The Council, as at year-end, had Earmarked Reserves totalling £17,000 with the balance being General Reserves of £1,952.24 with overall reserves standing at £18,952.24. *COMMENT: council is advised to note guidance as issued by Proper Practices which states that it is regarded as acceptable for a council's general (non-earmarked revenue) reserves to be equal to 3 to 12 months of Net Revenue Expenditure. There is no upper limit for earmarked reserves, but they should be held for genuine and intended purposes and their level subject to regular review and justification (at least annually).* **RECOMMENDATION: council should seek to adopt a General Reserve Policy which would provide clarity on the reasoning behind the holding of and intended level of general reserves to be maintained to ensure that the council achieves the recommended levels.**
Additional comments: *in the main, Council has followed the recommended key stages as to the budgetary process for the year: decided the form and level of detail of the budget; reviewed the current year budget and spending; determined the cost of spending plans; assessed levels of income; brought together spending and income plans; provided for contingencies and considered the need for reserves; approved the budget; confirmed the precept or rates and special levies; and reviewed progress against the budget regularly throughout the year.*		

[2] In accordance with proper practices, the generally accepted minimum level of a Smaller Authority's General Reserve is that this should be maintained at between three (3) and twelve (12) months of Net Revenue Expenditure

Section 3 – Proper bookkeeping The internal auditor will look at the methods and processes used to manage the council's accounts and in particular that it provides clear data for reporting and monitoring purposes. This includes checking information is accurate, kept up to date, referenced and verified.		
Evidence		*Internal auditor commentary*
Is the ledger maintained and up to date?	Yes	The council uses an excel spreadsheet to produce reports on a Receipts and Payments basis and ensures that the financial transactions of the parish council are as accurate as reasonably practicable. All transactions are well referenced and provide an effective tool for the basis of the council's internal controls. It provides data for analysis allowing the RFO to produce clear financial management reports.
Is the ledger on the correct basis in relation to the gross income/expenditure? (under Proper Practices, Councils are required to work on an Income & Expenditure basis when their gross income, or gross expenditure, exceeds £200,000 for 3 consecutive years)	Yes	Council's gross income and expenditure level is below the threshold of £200,000 and has been for three continuous years. Council's operating under this limit may choose either to report on an income and expenditure basis or on a receipts and payments basis. Council has elected to report its financial matters on a receipts and payments basis but has included unrepresented payments which are not required on a receipts and payments basis, (see section 9 for further explanation)
Is the cash book up to date and regularly verified?	Yes	Council follows Proper Practices in ensuring that its accounting procedure gives an accurate presentation of the financial position and provides good evidence to support the council's underlying statements which are verified by council.
Is the arithmetic correct?	Yes	A number of spot checks were carried out and the functionality of the cashbook was found to be in order. *COMMENT: The RFO has shown best practise by ensuring, for further transparency and scrutiny, that all payments and receipts are referenced with a description as to the expenditure and income being incurred to ensure the integrity of data being input and processed.*

Additional comments: *Council might wish to ensure that the cashbook and/or minutes make reference to the powers used to incur expenditure. Statutory powers are granted by Parliament and give local councils the choice or opportunity to take action and are therefore discretionary. Like all powers given to public bodies the powers of local councils are defined in detail in legislation and these details may include a requirement to obtain the consent of another body. Local Councils must exercise their powers subject to the provisions of the general law.*

Section 4 – Payment controls
The internal auditor will specifically check bank reconciliation including credit/debit cards and management approval processes and evidence that internal Financial Regulations (FO) are being followed. The internal auditor will examine how regular payments are managed and specifically seek evidence that these have been brought back to the Council for verification purposes especially where the actual payment made differs from the amount previously agreed. VAT should be clearly identified including evidence that claims have been correctly managed. The internal auditor will check if the Council has a clear understanding on eligibility in relation to the General Power of Competence and that s.137 has been correctly applied and managed.

Evidence		*Internal auditor commentary*
Is there supporting paperwork for payments with appropriate authorisation?	Yes	A selection of random payments were cross checked against cash book, bank statement and invoices and all were found to be recorded in the cashbook. However, a review of the minutes does not record the formal approval of such expenditure nor is there any reporting of payments made away from meetings and brought back to the meeting as retrospective payments. **RECOMMENDATION: Council must ensure that there is a clear audit trail for each payment which must include the approval to incur such expenditure. Council is advised to ensure that a list of all payments to be made and approved at parish council meetings is either included within the body of the minutes of that meeting or appended to the minutes.**
Where applicable, are internet banking transactions properly recorded and approved?	Yes	Internet banking is operated in accordance with the Council's own Financial Regulations and is used for the settlement of the Council's expenditure.

		COMMENT: council is advised to ensure that the procedure to be followed for the making of such payments contains evidence of a dual authorization process for the release of payments made via direct transfer and the mitigation measures in place for payments made by direct transfer including but not limited to the system of internal control and the personnel involved with the internal control regime.
Is VAT correctly identified, recorded, and claimed within time limits?	Yes	VAT is identified in the cash book with the reclaim for the period covering the year 2024-2025 in the sum of £495.70 received on 12 November 2025 and a second claim of £786.33 for the period of 1 April 2025 to 31 January 2026 received on 2 March 2026 both being verified in the cashbook and bank statements.
Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly?[3]	N/A	Council has not adopted the General Power of Competence.
Are payments under s.137[4] separately recorded, minuted and is there evidence of direct benefit to electorate?	Yes	There were no payments identified as being made under this power for the year under review.
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	N/A	Council has no such loan
Additional comments: *The Council might wish to consider, in order to show good practice, implementing a system whereby evidence is retained showing which Councillors authorised the on-line payments thereby ensuring that there is an effective system in place to reduce the risks of error for such payments. This not only protects the RFO but will fulfil an internal control objective to ensure the safeguarding of public money.*		

[3] Localism Act

[4] *Section 137 of the Local Government Act 1972 ("the 1972 Act") enables local councils to spend a limited amount of money for purposes for which they have no other specific statutory expenditure. The basic power is for a local council to spend money (subject to the statutory limit – of £11.10 per elector) on purposes for the direct benefit of its area, or part of its area, or all or some of its inhabitants.*

Section 5 – Income controls The internal auditor will seek evidence to ensure income is correct managed – recorded, banked, and reported and test mechanisms used to achieve this.		
Evidence		Internal auditor commentary
Is income properly recorded and promptly banked?	Yes	Income is recorded in accordance with Council's Financial Regulations. A number of items of income were cross checked against cash book and bank statement and found to be in order and recorded in accordance with Proper Practices. In accordance with proper practices, the RFO has ensured that the accounting records contain all day-to-day entries of all sums of money received.
Is income reported to full council?	Yes	Income received is reported to full Council within the financial reports submitted to full Council in accordance with council's financial regulations Allotment rent was reviewed at the meeting of 12 May 2025 with no increase confirmed and at the meeting of 12 August 2025 a review of allotments was suggested in the minutes but has not been carried out as yet.
Does the precept recorded agree to the Council Tax Authority's notification?	Yes	Council received precept in the sum of £10,000 from East Suffolk District Council for the period under review. Council was unable to provide the Council Tax Authority Notification so this could not be confirmed.

If appropriate, are CIL reporting schedules in accordance with the Regulations?[5]	Yes	During the year under review, Council received no CIL receipts.
Is CIL income reported to the council?	N/A	No income or expenditure was evidenced during the period under review.
Does unspent CIL income form part of earmarked reserves?	N/A	The draft CIL annual report for 2025-2026 shows that there is no retained balance of CIL
Has an annual report been produced?	Yes	The Annual CIL Statement is still to be presented to full Council for approval although a copy was submitted for internal audit review.
Has it been published on the authority's website?	Yes	The Annual CIL Statement for the year 2025-2026 has been uploaded onto the Council's website although it is unsigned.
Additional comments:		

Section 6 – Petty cash The Internal Auditor will seek evidence that the Council has followed its own policies, procedures, and verification processes and that these are up to date.		
Evidence		Internal auditor commentary
Is petty cash in operation?	N/A	Council does not operate a petty cash system.
If appropriate, is there an adequate control system in place?	N/A	
Additional comments:		

[5] Community Infrastructure Levy Regulations 2010

Section 7 – Bank reconciliation The internal auditor will seek to establish that the Council understands and can evidence good practice and internal control mechanisms in relation to bank reconciliation.		
Evidence		Internal auditor commentary
Is bank reconciliation regularly completed and reconciled with the cash book and cover every account?	Yes	There is limited evidence that bank reconciliations are presented to and verified by the Council. As a result, the Council cannot demonstrate that bank reconciliations have been consistently reviewed and independently verified, weakening an important internal control designed to safeguard the Responsible Financial Officer and provide assurance over the accuracy of the Council's financial records. **RECOMMENDATION: The Council should ensure that bank reconciliations are presented to the Council on a regular basis and that Members formally review and verify them. The review should be clearly evidenced in the minutes or by a signed and dated bank reconciliation and bank statement. This will strengthen the Council's system of internal control, provide assurance over the accuracy of the financial records, and safeguard the Responsible Financial Officer.** **On the bank reconciliation submitted, the bank does not reconcile with the accounts. The figures recorded in the accounts should always agree with the bank statements and the previous year's closing balances again should agree with the bank balances as at 31 March. If possible Council should examine the accounts to identify where the difference arose.** **The figures in Box 8 on the AGAR for both columns, 2024-25 and 2025-26, do not agree with the closing bank and cash balances.**

		RECOMMENDATION: As the previous year's AGAR has already been submitted to the External Auditor with a Certificate of Exemption, the Clerk/RFO should contact the External Auditor or follow their guidance on how the prior year figures should be restated. **Box 8 should be 'Restated' to reflect the sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March. Box 1 Balances brought forward should also be 'Restated' to reflect the opening bank balances, which should agree with the previous year's corrected closing balances and the accounting records. Appropriate supporting documentation should be retained to evidence the correction and reconciliation.**
Do bank balances agree with bank statements?	Yes	Bank balances agree with period end statements and, as at year end (31 March 2026) the balance across the council's accounts stood at £18,952.24. However, this was not the sum recorded in the Statement of Accounts and did not reconcile with the Year-end Bank Reconciliation. **RECOMMENDATION: The Council should ensure that each bank reconciliation is completed accurately and that the total bank balances agree to the corresponding figure in the accounts. The balance brought forward on each reconciliation should agree to the closing bank balance from the previous reconciliation, and the closing balance at the end of the period should agree to the bank balances recorded in the accounts. This provides a clear audit trail and helps ensure that the accounts accurately reflect the Council's actual bank balances.**

Is there regular reporting of bank balances at Council meetings?	Partially	Balances across the Council's accounts were only reported at the August meeting of full Council. The minutes of Full Council meetings do not demonstrate that a review of the bank reconciliation versus the bank statements has been undertaken. This is not only good practice but is also a safeguard for the RFO and fulfils one of the authority's internal control objectives. The bank reconciliation is a key tool for management as it assists with the regular monitoring of cash flows and therefore aids decision-making.

Section 8 – Payroll controls The Internal Auditor will check salaries were approved in accordance with PAYE, NI, Pension and that there is a clear understanding that the clerk is not self-employed. The Internal Auditor will also review how payroll is managed including evidence of approval of payslips.		
Evidence		Internal auditor commentary
Do all employees have contracts of employment?	Yes	Council had no employees on its payroll at the period end of March 2026. Employment contracts were not reviewed during the internal audit but the Clerk to the Council has confirmed that the newly appointed Clerk has a Contract of Employment in place.
Has the Council approved salary paid?	Yes	It is not clear that all salary payments are presented to the Council for approval but it appears that payments are made in accordance with Council's Financial Regulations. *Comment: Council has noted the requirement to ensure that it formally approves amendments to any employee's pay, emoluments, or terms and conditions of employment.*
Are all employees paid at least the minimum wage?	Yes	Employees are paid at least the national minimum wage.
Are arrangements in place for authorising of the payroll and payments to the council? Does this include a	Yes	There are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and

verification process for agreeing rates of pay to be applied?		associated liabilities and as such the council has complied with its duties under legislation.
Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?	Yes	The payroll function for the year under review is operated in accordance with HM Revenue and Customs guidelines and outsourced to Suffolk Association of Local Councils. Cross-checks were completed on three payments covering salary and PAYE were found to be in order. Deductions paid to HM Revenue and Customs during the year under review were made in accordance with timescales as set out in the regulations.
Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?[6]	Yes	It is noted that Council is aware of its pension responsibilities and that no pension provision was required by the current members of staff.
Have pension re-declaration duties been carried out	Yes	From paperwork seen, the council completed its re-declaration of compliance with The Pensions Regulator on 8 June 2026. *Comment: if the Council last carried out its re-enrolment duties in **2026**, it will be aware that every three years further re-enrolment duties will apply. Council should ensure that it comply with any deadlines for **2029** as stated in communications from the Pension Regulator.* **RECOMMENDATION: Council should ensure that it records evidence in its minutes that it has complied with its duties as an employer with regards to automatic enrolment and that it has completed and submitted a declaration of compliance to the Pension Regulator. Re-declaration is required every three years.**
Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?	Yes	There is a satisfactory expense system in place and all expenses claimed are approved by full council with supporting paperwork in place and reimbursed in accordance with Council's Financial Regulations.
Additional comments:		

[6] The Pension Regulator – website click here

Section 9 – Year End procedures		
Evidence		*Internal auditor commentary*
Are appropriate accounting procedures used?	Partially	Accounts have not been produced on a receipts and payments basis, but instead are including unrepresented payments which is how Income and Expenditure accounts are produced. *COMMENT: On the AGAR for 2025-26, Box 8 on the previous year 2024-25, is saying £20,455 but the bank balances add up to £20,544.73 - the difference is £90 which according to the bank reconciliation was the total of 2 outstanding payments - this is fine but for a council under £25,000, Receipts & Payment accounting is generally much simpler:* • ***Receipts** = money actually received during the year.* • ***Payments** = money actually paid during the year.* • *There is no need to account for debtors and creditors in the same way as under Income & Expenditure.* *Likewise, the figure on Box 8 for the year 2025-26 is saying £19,052 but the bank balances add up to £18,952.24 so is incorrect.* **REOMMENDATION: As per comment under section 7, to correct the AGAR to reflect a receipt and payment basis, any changes to the boxes should be 'Restated' with an explanation to the External Auditor. Appropriate supporting documentation should be retained to evidence the correction and reconciliation.**
Financial trail from records to presented accounts	Yes	The end of year accounts and supporting documentation were well presented for the internal auditor review.

		There is a full audit trail from records to presented accounts.
Has the appropriate end of year AGAR[7] documents been completed?	Yes	As Council is a smaller authority with gross income and expenditure not exceeding £25,000 it is required to complete the Annual Governance and Accountability Return (AGAR) Form 2.
Did the Council meet the exemption criteria for 2024-2025 and correctly declared itself exempt?	Yes	As the Council was a smaller authority with a gross income and expenditure not exceeding £25,000 for the period under review, it was able to certify itself as an exempt authority which was confirmed at a meeting of the Council on 12 May 2025. The minutes of the said meeting 12 May 2025 demonstrate that Sections 1 and 2 and the Certificate of Exemption were reviewed, and permission was given for the Chair and Clerk to sign the documents. *Comment: Council has ensured that there is formal evidence of the legal decision taken to claim exemption under section 9 of the Local Audit (Smaller Authorities) Regulation 2015.*
During the period in question did the small authority demonstrate that it correctly provided for the exercise of public right as required by the Accounts and Audit Regulations 2015?	No	During the review of the publication requirements of the Accounts and Audit Regulations 2015, it is noted that, for the year 2024- 2025, there is no evidence that Council correctly provided for the exercise of elector's rights during Summer 2025. **RECOMMENDATION: The Council should ensure that evidence is retained to demonstrate that the statutory Exercise of Public Rights has been completed each year. Although it has not been possible to establish whether the required Notice of Public Rights was published for the previous year, no supporting evidence was available for audit. Going forward, the Council should retain a copy of the notice together with evidence of the dates and locations of publication, to provide a clear audit trail and demonstrate compliance with the**

[7] Annual Governance & Accountability Return (AGAR)

		statutory requirements.
Have the publication requirements been met in accordance with the Regulations?[8]	No	In accordance with the Accounts and Audit Regulations 2015 as a smaller authority with income and expenditure not exceeding £25,000 council published the following on a public website: • Certificate of Exemption, page 3 **RECOMMENDATON: It is also a requirement for Council to publish the following:** **• Annual Internal Audit Report 2024/25, page 4** **• Section 1 – Annual Governance Statement 2024/25, page 5** **• Section 2 – Accounting Statements 2024/25, page 6** **• Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015.** **• Analysis of Variances** **• Bank Reconciliation.** **All of the above will also need to be published for the year 2025/26**
Additional comments:		

[8] Accounts and Audit Regulations 2015

Section 10 – Risk management The internal auditor will expect to find evidence of the management of risks from identification of what those are for each individual Council through to how these will be managed and the controls in place to mitigate these and that these have been approved by the Council.		
Evidence		Internal auditor commentary
Is there evidence of risk assessment documentation?	No	There was no formal assessment of the council's risk assessment documentation for the year under review. **RECOMMENDATION: as council is unable to demonstrate that, in accordance with Proper Practices, the risks are being annually reviewed, assessed and appropriate measures are in place to protect public money, it should consider its response to Assertion 5 on the Annual Governance Statements for the year ending 31st March 2026.**
Is there evidence that risks are being identified and managed?	No	Council's risk assessment needs to focus on the safety of the parish council's assets, and particularly its money. There is no evidence that Alderton Parish Council has taken action to identify and assess these risks or considered what actions or decisions it needs to take during the year to manage in order to avoid financial or reputational consequences. **RECOMMENDATION: Council is advised to review and adopt a risk assessment annually as part of its regular review of its policies.**
*Does the Council have appropriate and adequate insurance cover in place for employment, public liability and fidelity guarantee **and** has been reviewed on an annual basis?*	Yes	Council has insurance in place under a specialist policy for local councils with Gallagher which shows core cover for the following: Employer liability: £10million; Public/Products Liability: £10million and Fraud and dishonesty of £150,000. *COMMENT: Council has followed recommended guidance by ensuring that its Fidelity Cover is equal to at least the sum of the year-end balances plus*

		50% of the precept/grants to be received in the following April. *COMMENT: There is no record in the minutes that the Council's insurance cover was renewed or which shows the cover was reviewed and considered appropriate. It is good to have a record that the RFO has undertaken a review as this will help manage the potential consequence of a risk occurring.*
Evidence that internal controls are documented and regularly reviewed[9]	No	There is no formal review by the council as to the effectiveness of the system of internal controls. **RECOMMENDATION: The adoption of an Internal Control Statement (model templates are available from SALC) would provide the basis for council to demonstrate that, under the Accounts and Audit Regulations 2015, it has in place safe and efficient arrangements to safeguard public money which are annually reviewed and assessed for their effectiveness. Such an assertion would be used to inform the council's preparation of its annual governance statement.**
Evidence that a review of the effectiveness of internal audit was conducted during the year, including consideration of the independence and competence of the internal auditor prior to their appointment[10]	Yes	Council formally reviewed the scope and effectiveness of its internal audit arrangements at the meeting at which the internal auditor was appointed. *COMMENT: Council is aware that in accordance with the Accounts and Audit Regulation 2015, the parish council must review the terms of reference and effectiveness of internal audit and demonstrate that it has understood that the role of internal audit is to evaluate and report on the adequacy of the system of internal control.*
Additional comments:		

[9] Accounts and Audit Regulations
[10] Practitioners Guide

Section 11 – Asset control The Internal Audit will be seeking to establish if there is a list of assets in accordance with proper practices including the date of acquisition, location, and value. This extends to checking policies (with evidence of review) and that the Council has applied the documented approach in practice. The Internal Auditor will check not only valuation processes but the existence of reserve budgets for depreciation and adequacy of insurance. A clear audit trail should be available when items are purchased including minutes to evidence approval.		
Evidence		Internal auditor commentary
Does the Council maintain a register of material assets it owns and manage this in accordance with proper practices?[11]	Yes	The Asset Register was viewed on the Council's website, however, there is no record of review or approval at any meeting. The Asset Register reflects those items listed under insurance and within the Parish Council's remit for maintenance and ownership.
Is the value of the assets included? (Note value for insurance purposes may differ)	Yes	It is noted that the declared value for all assets at year-end (31.03.2026) is £79,280 which reflects overall movement in the asset register covering acquisitions and disposals. *Comment: Council is mindful of the guidance within the Governance and Accountability for Smaller Authorities in England March 2025 on the valuation of its assets and has ensured that where the acquisition value of the asset at the time of first recording is used, that method of valuation has been consistently applied.*
Are records of deeds, articles, land registry title number available?	N/A	Records of deeds, articles, land registry title number were not reviewed during the internal audit which was carried out via remote means.

[11] Practitioners Guide

Are copies of licences or leases available for assets sited at third party property?	N/A	
Is the asset register up to date and reviewed annually?	Partially	The Asset Register is up to date, however, there is no record of it being reviewed and approved by council.
Cross checking of insurance cover	Yes	Council has insurance under all risks cover for its assets as specified under generic headings on the insurance schedule.
Additional comments: *Councils should be mindful of the guidance in Governance and Accountability for Smaller Authorities for England (March 2025) regarding valuation of assets and ensured that where the acquisition value of the asset at the time of first recording is used, that method of valuation has been consistently applied and if/where amended it will need to publish and provide explanations in changes in value to any previously recorded assets.*		

Section 12 – Assertion 10 The internal auditor will be checking that the council complies to the new assertion 10 introduced in the Practitioners' Guide 2025.		
Evidence		*Internal auditor commentary*
Has the Council registered with the Information Commissioner's Office (ICO)?[12]	Yes	The Council is correctly registered with the Information Commissioner's Office (ICO) as a Data Controller in accordance with the Data Protection Legislation.
Is there an adopted council publication scheme and is it reviewed regularly?	Yes	As defined under the Freedom of Information Act 2000, council has not adopted and published a Publication Scheme. **RECOMMENDATION: council should seek to ensure that it adopts such a scheme which should be fully tailored to the council to accurately reflect council's activities undertaken and the manner in**

[12] Data Protection Act 2018

		which information will be made available.
Is the Council compliant with the General Data Protection Regulation requirements?[13] *Councils must:* • *Comply with their legal & statutory obligations under UK GDPR & The Data Protection Act 2018* • *Process personal data lawfully, fairly and in line with the prescribed data protection principles* • *Recognise their role as both data controller and data processor*	Partially	Council has still to show compliance with the regulations. All smaller authorities, including parish meetings, must follow both the General Data Protection Regulation (GDPR) 2016 and the Data Protection Act (DPA) 2018. All smaller authorities, including parish meetings, must process personal data with care and in line with the principles of data protection. **RECOMMENDATION: Councils, including parish meetings must:** • **Comply with their legal & statutory obligations under UK GDPR & The Data Protection Act 2018** • **Process personal data lawfully, fairly and in line with the prescribed data protection principles** • **Recognise their role as both data controller and data processor** *COMMENT: To achieve best practice, councils are recommended to:* • *Carry out data protection audits, mapping personal data being processed and carrying out data risk assessments.* • *Provide regular data protection compliance training for council staff and councillors.* • *Have appropriate information compliance policies and ways of working in place that reflect how the council operates to protect personal data from breaches*.
Has the Transparency Code been correctly applied, and information published in accordance with current legislation?	Partially	To ensure compliance with the requirements of the Transparency Code for smaller authorities (turnover not exceeding £25,000), Council should be aware that the following ought be published on a public website for the year 2025/2026 not later than 1 July: • Internal Audit Report • List of Councillors and Responsibilities • Items of Expenditure Above £100 including recoverable and non-

[13] UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018.

		recoverable VAT • End of Year Accounts • Annual Governance Statement • Asset Register • and that Agendas of Meetings; Associated Papers and Minutes should be published in accordance with the prescribed timescales as set out in the Transparency code for smaller authorities – December 2014. *COMMENT: although the council publishes certain datasets on its website in accordance with the required timescales,* during *the coming year, council should seek to ensure that the following are published as soon as possible:* • *Internal Audit Report* • *List of Councillor's Responsibilities* • *Items of Expenditure Above £100 including recoverable and non-recoverable VAT* • *End of Year Accounts* • *Annual Governance Statement* • *Agendas of Meetings; with Associated Papers and Minutes should be published in accordance with the prescribed timescales as set out in the Transparency code for smaller authorities – December 2014.*
Has the Council published a website accessibility statement on their website in line with Regulations?[14]	Partially	WCAG2.2 is the standard that provides guidelines / recommendations for making web content accessible to people with disabilities, covering blindness, low vision, hearing loss, cognitive limitations, and more, with a key focus on mobile accessibility, low-vision needs, and clearer focus indicators than its predecessors. Its main focus is ensuring that websites and apps are "perceivable, operable, understandable, and robust (POUR) for all users, including those with situational disabilities".

[14] Website Accessibility Regulations 2018

		RECOMMENDATION: That an up to date accessibility statement be published to meet the legal requirements regardless of what domain is being used, under the Public Sector Bodies Accessibility Regulations 2018. The Government digital accessibility webpage provides detailed guidance. *COMMENT: Where a smaller authority is subject to the requirements of website accessibility it does not have to buy a new website to comply with accessibility law if it places a disproportionate burden on the authority. At a minimum all authorities' websites must include an accessibility statement on their website and keep it under regular review. This statement should include reasons for not meeting accessibility requirements, ways to source alternative copies of non-accessible documents and a point of contact.*
Has website accessibility been tested, at least annually?	No	No review of website accessibility has been carried out during the last financial year. *COMMENT: to ensure that the council website complies with the regulations, it is best practice to test for website accessibility at least annually.*
Does the council have, as a minimum, a single generic email address on an authority owned domain, for correspondence?[15] For example clerk@abccouncil.gov.uk or clerk@abccouncil.org.uk	Yes	Council operates with a .gov.uk email address for the Clerk. *COMMENT: this ensures that sensitive information is handled in a controlled environment with appropriate security measures. Authority-owned email accounts provide a clear record of communications, which is essential for transparency and accountability. This helps in maintaining an audit trail and ensures all council-related communications are accessible for review if needed and makes Data Subject Access and Freedom of Information Requests easier to manage.* Best practice is for all council (clerk, councillors, other staff) to have

[15] Practitioners Guide

		matching email: e.g. Cllr.bobsmith@abcparishcouncil.gov.uk or cllr.bobsmith@abcparishcouncil.org.uk If not, free email services are permitted currently, such as, cllrbobsmith@gmail.com but NOT personal email addresses e.g. bobsmith1968@yahoo.co.uk *COMMENT: Authority-owned email accounts ensures that sensitive information is handled in a controlled environment with appropriate security measures. This aligns with GDPR principles such as data minimisation, integrity and confidentiality.*
Does the council have an IT policy that is tailored to the council? [16]	No	To warrant a positive response to assertion 10, smaller authorities (excluding parish meetings) must have an IT policy. This explains how everyone - clerks, members and other staff - should conduct authority business in a secure and legal way when using IT equipment and software. This relates to the use of authority-owned and personal equipment. **RECOMMENDATION: that council adopts an IT policy that mandates the use of authority-owned email accounts for official business. These policies are designed to ensure that all communications are conducted in a manner that is consistent with the authority's standards and legal obligations. It is important to personalise the template for the specific use of your authority.**
Additional comments:		

[16] Practitioners Guide

Section 13 – Internal audit The internal auditor will revisit weaknesses and recommendations previously identified to see if these have been addressed. They will also check if any changes introduced require further verification to ensure effectiveness of the corrective action taken.		
Evidence		*Internal auditor commentary*
Has the Council considered the previous internal audit report?	Yes	The Internal Audit Report for the period ending 31 March 2025 was presented at the meeting of full Council of 12 May 2025. However the minute does not confirm that the audit report was formally considered by Council or approved for adoption, the minute also does not include any recommendations and comments raised within the report which was monitored as the year progressed or included any authorisation to the RFO to conduct necessary actions.
Has appropriate action been taken regarding the recommendations raised?	Not known	No internal audit report or supporting evidence could be provided for the year 2024-25. The Council has advised that an accountant checked the financial figures, with the remaining elements of the internal audit apparently undertaken by the Clerk. Consequently, there is insufficient evidence to demonstrate that an effective and independent internal audit was undertaken in accordance with Section 4 of the Practitioners' Guide. **RECOMMENDATION: The Council should ensure that an effective, independent and competent internal audit is undertaken annually, in accordance with Section 4 of the Practitioners' Guide. The Council has now appointed the Suffolk Association of Local Councils to undertake its internal audit, which provides an appropriate independent arrangement. The Council should ensure that the resulting internal audit report is presented to and considered by the Council, with any recommendations appropriately minuted and acted upon.**

Has the Council confirmed the appointment of an internal auditor?[17] *Has the letter of engagement been approved by full council?*[18]	Yes	SALC were appointed as the Council's internal auditors for the year ending 31st March 2026 at the meeting of 29 June 2026.
Additional comments:		

Section 14 – External audit for the period under review The internal auditor will revisit the external audit so that previous weaknesses and recommendations can be considered.		
Evidence		*Internal auditor commentary*
Has the Council considered the previous external audit report?[19]	N/A	Council was exempt from a Limited Assurance Review.
Has appropriate action been taken regarding the comments raised?	N/A	Council was exempt from a Limited Assurance Review.
Additional comments:		

[17] Practitioners' Guide
[18] Practitioners' Guide
[19] Regulation 20 Accounts and Audit Regulations 2015 – *following completion of an audit the Council should note that it is the Council as a whole (i.e., All members) and not a committee that should receive and consider the audit letter (including Annual Return and Certificate) from the local auditor as soon as reasonably practicable and the minutes should reflect that these have been received.*

Section 15 – Additional information The internal auditor will look for additional evidence of good record keeping, compliance with data protection regulations, freedom of information and website accessibility regulations.		
Evidence		*Internal auditor commentary*
Was the annual meeting held in accordance with legislation? [20]	Yes	The Annual Meeting of the Parish Council was held on 12 May 2025 and the first item on the agenda was the election of Chairperson.
Is there evidence that Minutes are administered in accordance with legislation? [21]	Yes	Council is aware that that under LGA 1972 schedule 12, paragraphs 41(1) and 44 the draft minutes of a meeting should be formally approved (with any necessary amendments) at the next meeting. At each meeting, the Chair is given formal approval to sign the minutes.
Is there a list of members' interests held?	Yes	Evidence was seen on the District Authority's website of some of the Register of Interests for current Parish Councillors. **RECOMMENDATION: It is noted that some of the councillors details appear to be missing. The council should review the information held and correct where required. Council is also advised to have a direct link to the District Authority's webpage for the Register of Interests**
Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?	N/A	Council does not have any Trustee Responsibilities.
Is there evidence that electronic files are backed up?	Yes	Council uses a system whereby a back-up of the council's data is taken and stored appropriately.
Do terms of reference exist for all committees and is	N/A	Council does not operate with a committee system.

[20] The Local Government Act 1972 Schedule 12, paragraph 7 (2) and Schedule 15 (2)
[21] Public Bodies (Admission to Meetings) Act 1960, Local Government Act 1972, and the Localism Act 2011

there evidence these are regularly reviewed?		
Additional comments:		

Signed: D L Frost

Date of Internal Audit review: 5 – 31 August 2026

Date of Internal Audit Report: 1 September 2026

On behalf of Suffolk Association of Local Councils