Internal Audit Report for Tuddenham St Mary Parish Council

for the period ending 31 March 2025

Clerk	Locum: Alan Melton
RFO (if different)	As above
Chairperson	Councillor Mark Dunnett
Precept	£15,070.00
Income	£unable to verify
Expenditure	£17,540.17
General reserves	£14,614.36
Earmarked reserves	£none specified
Audit type	Annual – exempt authority
Auditor name	**Victoria Waples**

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 2024/25 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 – 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?	*None seen*	Given the limited information contained within the council owned laptop and the overall filing system, the Locum Clerk confirmed that he was unable to produce a cashbook for internal audit review. A printout of payments made along with a log bank transactions was obtained from a member of the council. As such the internal auditor is unable to verify whether council kept appropriate records for the year under review. *Comment: Council should be aware that a cashbook is the focus for day-to-day accounting and that a reconciliation to the bank statement remains the most important control over the accounting system.*
Is the ledger on the correct basis in relation to the gross income/expenditure?	*Yes*	Council's gross income and expenditure level is below the threshold of £200,000 and has been for three (3) 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 (R&P) basis. Council has elected to report its financial matters on a receipts and payments basis.
Is the cash book up to date and regularly verified?	*None seen*	Council should be aware that the cashbook should be reconciled on a regular basis and verification given that there are no anomalies that require further investigation.
Is the arithmetic correct?	*None seen*	Given the lack of a cashbook, the internal auditor is unable to confirm this position.
Recommendation: as council is unable to provide evidence that it had in place effective procedures to accurately record all financial transactions and failed to maintain up to date accounting records throughout the year, it is advised to consider its response to Assertion 1 of the Annual Governance Statement.		

Section 2 – 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*	Council's Standing Orders as seen on the website are those that were adopted in 2018 and contain out of date provisions concerning procurement. **Recommendation: council should seek to adopt the updated Model Standing Order (England) 2025 which contain amendments to section 18 to comply with new procurement legislation and ensure consistency with the revised Model Financial Regulations. The changes are to 18.a.v, 18.c, 18.d, and 18.f. NALC have also updated Model Standing Order (England) section 14 to better reflect Code of Conduct requirements. 14.a, 14.b, and 14.c have been removed. NALC have also changed the language in the document to gender-neutral terms to align with their policy and the Civility and Respect Project.**
Are Financial Regulations up to date and reviewed annually?	*Yes*	Council's Financial Regulations as seen on the website were reviewed at the meeting of 19th March 2025 and are based on those produced by NALC in 2024. *Comment: as advised by SALC in March 2025, council should seek to adopt the 2025 Model Financial Regulations, tailored to the council, which replace the 2024 version.*
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(d) (financial administration), the Council appointed a person (the Clerk) to be responsible for the administration of the financial affairs of the relevant authority. Council's Financial Regulation 1.5 confirms that the Clerk is so appointed.

[1] Section 151 Local Government Act 1972 (d)

Section 3 – 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*	Generally, the minutes state supporting papers were supplied at each meeting allowing council to demonstrate that the council had actually seen the invoices that were being approved. Council appears to follow the correct authorisation procedures for payments as set up under its adopted financial regulations that have been put in place to safeguard public finances, as the internal auditor was able to undertake a selection of random payments and cross check them against bank statement and invoices. However, as previously stated in the absence of a cashbook all that has been provided for internal audit is a list of payments made through the account. *Comment: see comment above relating to cashbook.*
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 Bank Mandate and Financial Controls Policy and is used for the settlement of the council's expenditure. Council operates with a complex mandate which follows a dual authorization process.
Is VAT correctly identified, recorded, and claimed within time limits?	*Unable to confirm*	As a cashbook was not submitted for internal audit review, the internal auditor is unable to verify if VAT is readily identified in the cash book. The VAT recoverable position for the year under review cannot therefore be confirmed. It is confirmed that a VAT reclaim in the sum of £6,397.69 was received into the council's accounts on 7th May 2024 and covers the period ending 31st March 2024.
Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is	*N/A*	The council has not confirmed that it is eligible to exercise the GPOC.

being applied correctly?[2]		
Are payments under s.137[3] separately recorded, minuted and is there evidence of direct benefit to electorate?	*Unable to verify as cashbook not submitted*	The meeting of 24th March 2025 confirms that a number of donation payments were approved but there is insufficient evidence to demonstrate under which power the expenditure was to be incurred. Expenditure incurred was £4,040. *Comment: council should be aware that s137 is a capped power and payments should be within statutory limits and deemed to be of benefit to those living in the area.*
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	*N/A*	The council has no such loans.
Recommendation: to demonstrate good practice, council should consider referencing in the cashbook 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 Local Councils must exercise their powers subject to the provisions of the general law.		

[2] Localism Act

[3] *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 £10.81 per elector) on purposes for the direct benefit of its area, or part of its area, or all or some of its inhabitants.*

Section 4 – 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?	*Not for the year under review*	Whilst there was no formal assessment of the council's risk assessment documentation for the year under review, the documentation seen and adopted by council at its meeting in March 2024 for the previous year details in general terms the risks associated with the functioning of a smaller authority and the measures that the Council will undertake to mitigate such risks. **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 2025.**
Is there evidence that risks are being identified and managed?	*Yes*	Council is aware that risk assessment needs to focus on the safety of the parish council's assets and in particular its money. There is evidence from the minutes that overall the parish council has taken action to identify and assess those risks and has considered what actions or decisions it needs to take during the year to manage in order to avoid financial or reputational consequences.
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 its main insurance under a Charity and Community (Essentials) Policy with Ansvar Insurers. Core cover for the council's insurance policy is shown as: Public & Products Liability: £10million; Employer's Liability: £10million and Fidelity Guarantee of £50thousand. *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/May and/or during the year upon receipt of grants.* The minutes of 26th September 2024 demonstrate that the council approved the costs of renewal of the councils insurance, following a review of the

		cover being provided thereby demonstrating that its cover was adequate and that all steps had been taken to mitigate and manage identified risks with appropriate insurance. *Comment: Council has noted that it must be able to demonstrate that it has reviewed the risks facing the Council in transacting its business and has taken out appropriate insurance to manage and reduce the risks relating to property, cash and legal liability (amongst other things).*
Evidence that internal controls are documented and regularly reviewed[4]	*No*	During the year under review, there is no evidence to confirm that council carried out a formal review 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 Assertion 2 of the 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[5]	*No*	There is no evidence to suggest that the council formally reviewed the scope and effectiveness of its internal audit arrangements within the adoption of the internal control statement. **Recommendation: council should be aware that in accordance with the Accounts and Audit Regulation 2015, it 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.**

[4] Accounts and Audit Regulations
[5] Practitioners Guide

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Section 5 – 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	*Yes*	The budget for the year 2024 - 2025 was approved at the Council meeting of 7th December 2023. From evidence seen on the website the revenue expenditure budget was set at £15,070.16 to be funded by the precept. The revenue budget for the year 2025 - 2026 was approved at the council meeting of 21st January 2025 but there is no evidence within the minutes, or the files submitted for internal audit, as to the sums being set. *Comment: council should ensure that it includes, within the body of the minutes, the actual budget being set alongside the reasoning for such a budget thereby ensuring transparency in the budgetary process followed by the council.*
Verify that the precept amount has been agreed in full Council and clearly minuted	*Yes*	The minutes of 7th December 2023, as confirmed at the meeting of 4th January 2024, state that the precept to be set would be £15,070. From paperwork seen this would result in an increase of £2.48 or 2.93% per year for a Band D over that set for the previous year. The minutes of 21st January 2025 state that the precept was agreed but there is little detail as to the sums agreed. *Comment: in accordance with best practice, council should record in the minutes the impact the precept being set would have on a Band D Dwelling in monetary as well as percentage terms.*
Regular reporting of expenditure and variances from budget	*Limited*	Prior to October 2024, the minutes evidence that council conducted reviews covering the budget for the current year. *Comment: Council should note the frequencies, as per its own standing order 17c, in which regular statements showing evidence of comparisons between budgeted and actual income and expenditure are to be submitted to council. The submission of such reports would form the basis of approval for virements in accordance with council's own Standing*

		Orders.
Reserves held – general and earmarked[6]	*Unclear*	At year-end, council had overall reserves in the sum of £14,614.36 as per the bank statements supplied for internal audit review. *Comment: Council should be aware of 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 and should ensure that the level of general reserves held is in accordance with an adopted General Reserve Policy. 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).*
Additional comments: Council is reminded of the recommended key stages that should be followed as to the budgetary process for the year: decide the form and level of detail of the budget; review the current year budget and spending; determine the cost of spending plans; assess levels of income; bring together spending and income plans; provide for contingencies and consider the need for reserves; approve the budget; confirm the precept or rates and special levies; and review progress against the budget regularly throughout the year.		

[6] 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 6 – 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?	*Unclear*	As a cashbook was not available for internal audit review, the internal auditor is unable to verify that income was recorded in accordance with Council's Financial Regulations. *Comment: the cashbook / accounting records should contain all day-to-day entries of all sums of money received.*
Is income reported to full council?	*No*	There was limited reporting to full council of income received by the council with limited documents supporting the income received.
Does the precept recorded agree to the Council Tax Authority's notification?	*Yes*	Council received precept in the sum of £15,070 from West Suffolk Council for the period under review. Evidence was provided showing a full audit trail from Precept being discussed and approved to being served on the Charging Authority to remittance advice showing the Precept to be paid and receipt of same in the council's bank account.
If appropriate, are CIL reporting schedules in accordance with the Regulations?[7]	*N/A*	CIL is not operated within the district in which the council is located.
Is CIL income reported to the council?	*N/A*	
Does unspent CIL income form part of earmarked reserves?	*N/A*	
Has an annual report been produced?	*N/A*	
Has it been published on the authority's website?	*N/A*	
Additional comments:		

[7] Community Infrastructure Levy Regulations 2010

Section 7 – 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:		

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 1 employee on its payroll at the period end of 31st March 2025. Employment contracts were not reviewed during the internal audit but the Clerk to the Council has confirmed that a contract of employment was in place.
Has the Council approved salary paid?	*Yes*	All salary payments are presented to full Council for approval and payment is made via internet banking in accordance with council's own Financial Regulations. *Comment: Council ensures that there are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities and as such the council has complied with its duties under legislation.*
Minimum wage paid?	*No*	No employee is paid the minimum wage.
Are arrangements in place for authorising of the payroll and payments to the council?	*Yes*	There are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and 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 was latterly outsourced. Cross-checks were completed on a sample of payments covering salary and all were found to be in order. Deductions due to be paid to HM Revenue and Customs during the year under review were made within the requisite time periods.
Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?[8]	*Yes*	Council is aware of its pension responsibilities, but no member of staff was enrolled with the council's pension provider.

[8] The Pension Regulator – website click here

Have pension re-declaration duties been carried out	*Yes*	At the meeting of 18th September 2023, the then Clerk confirmed that the council had completed its re-declaration of compliance with The Pensions Regulator.
Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?	*Unable to verify*	Given the limited files available for internal audit review, the internal auditor is unable to verify that there is a satisfactory expense system in place and that all expenses claimed are approved by full council with supporting paperwork in place.

Section 9 – 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?[9]	*Yes*	The Asset Register, as viewed on the council's website, is dated 2023-2024 and shows a total value of £72,329.83. In the absence of a later version, it is assumed that this register is still current.
Is the value of the assets included? (Note value for insurance purposes may differ)	*Yes*	Council is mindful of the guidance within the Governance and Accountability for Smaller Authorities in England March 2024 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.
Are copies of licences or leases available for assets sited at third party property?	*N/A*	Council has not declared that it has any assets located on third party property.
Is the asset register up to date and reviewed annually?	*Yes*	The values submitted on the Annual Governance and Accountability Return for Internal Audit show an asset value of £73,230.
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:		

[9] Practitioners Guide

Section 10 – 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?	*Unclear*	Although no evidence was produced for internal audit review to confirm that bank reconciliations were completed, the minutes do reflect, on an infrequent basis, the reporting of bank balances to the council. *Comment: council should understand that the bank reconciliation is a key tool for management as it assists with the regular monitoring of cash flows which aids decision-making, particularly when there are competing priorities.*
Do bank balances agree with bank statements?	*Yes*	Bank balances as of 31st March 2025 agree with the year-end bank statements and at year end stood at £14,614.36 in the account held in the parish council's name. *Comment: the internal auditor is able to verify the year-end bank balances from the statements produced for internal audit and can confirm that the bank balances as identified has been included within the AGAR, section 2, line 8.*
Is there regular reporting of bank balances at Council meetings?	*Yes*	Balances across the Council's accounts were reported on an infrequent basis. *Comment: in accordance with council' financial regulation 2.6, at least once a quarter, a member other than the Chair (or a cheque signatory) should be appointed to verify the bank statements versus the reconciliation and this should be reported to the council once undertaken.*
Additional comments:		

Section 11 – year end procedures		
Evidence		*Internal auditor commentary*
Are appropriate accounting procedures used?	*No*	Whilst the accounts are produced on a receipts and payments basis limited evidence was produced to underpin the figures recorded on the Accounting Statements.
Financial trail from records to presented accounts	*No*	Given the limited information available for review, the internal auditor is unable to confirm that there is a clear financial trail from records to presented accounts.
Has the appropriate end of year AGAR[10] documents been completed?	*Yes but amendments needed*	As Council is a smaller authority with gross income and expenditure not exceeding £25,000 it will be required to complete the Annual Governance and Accountability Return (AGAR) Form 2. The Accounting Statements were completed and had been approved and signed off at the meeting of 17th July 2025 which is outside of the period specified in legislation (Section 1 and 2 must be approved before 1 July 2025). **Recommendation: council should recognise that it has failed to comply with Proper Practices in the completion of Sections 1 and 2 of the AGAR and the Exemption Certificate and has not published the information required by 1st July 2025 nor has it approved the AGAR by 1st July 2025. As previously mentioned, council is advised to review its response to Assertion 1 of the Annual Governance Statement.** **Furthermore, council is advised to revisit the approved and signed Certificate of Exemption dated 17th July 2025 as the income declared does not reflect that which has been received by the council. The Accounting Statements also signed on 17th July 2025 should be reconsidered as they do not cast and Box 7 and Box 8 for the year ending 31st March 2025 must be the same if the accounts are produced on a receipts and payments basis.**

[10] Annual Governance & Accountability Return (AGAR)

Did the Council meet the exemption criteria and correctly declared itself exempt?	*Yes*	The Parish Council did not have gross income and expenditure exceeding £25,000 during 2023 - 2024 and was able to declare itself exempt from a limited assurance review for the year ending 31st March 2024. The minutes of 20th June 2024 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: within the Annual Internal Audit Report, internal control objective test M requires the internal auditor to establish whether the parish council correctly provided for the exercise and published a copy of the required "Public Notice" by ensuring that it clearly identified the statutory 30 working day period when the Authority's records are available for public inspection. This is evidenced by the notice on the website which contains the period for the exercise of public right; details of the manner in which the documents can be inspected; the name and address of the external auditor and the provisions as contained under section 25 and section 27 of the Act.*
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*	Whilst the minutes for the meeting of 20th June 2024 demonstrate that council approved the period for the public inspection of the accounts to be set from 21st June until 2nd August 2024, the notice was not published on the website under the parish council's name. The notice displayed relates to Buxhall Parish Council. *Comment: Within the Annual Internal Audit Report, internal control objective test M requires the internal auditor to establish whether the parish council correctly provided for the exercise and published a copy of the required "Public Notice" by ensuring that it clearly identified the statutory 30 working day period when the Authority's records are available for public inspection.* **Recommendation: as the parish council has failed to demonstrate that it correctly provided for the exercise of publish rights, it should consider its response to Assertion 4 of the Annual Governance Statement.** Council should note that it has also failed to provide for the period of public rights for the year ending 31st March 2025 as it has not yet published the notice of public rights. In accordance with the Accounts

		and Audit Regulations 2015, the latest start is the 1st day of July as the dates specified under the Regulations must include the first ten (10) working days of July 2025. *Comment: council should note that the public rights notice states that the date of placing of the notice must be not less than 1 day before the date upon which the period begin and the inspection period between must be 30 working days inclusive and must include the first 10 working days of July. Council is advised to answer in the negative to Assertion 4 in the negative for the year ending 31st March 2026.*
Have the publication requirements been met in accordance with the Regulations?[11]	*Yes*	The Council has complied with the requirements of the Accounts and Audit Regulations 2015 for smaller authorities with income and expenditure not exceeding £25,000 for the year ending 31st March 2024 as not all of the following were published on the council's website: • Certificate of Exemption • Annual Internal Audit Report • Section 1 – Annual Governance Statement of the AGAR • Section 2 – Annual Accounting Statements of the AGAR • Notice of the period for the exercise of public rights • Analysis of variances • Bank reconciliation • Notice of the period for the exercise of public rights and other information required by Regulation 15 (2) Accounts and Audit Regulations 2015.
Additional comments:		

[11] Accounts and Audit Regulations 2015

Section 12 – 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 31st March 2024 was formally considered by and approved for adoption at the meeting of full Council of 20th June 2024.
Has appropriate action been taken regarding the recommendations raised?	*Work required*	The formal recommendations raised within the internal audit report for the year ending 31st March 2024 were as follows: and those in **bold** are outstanding 1. At the Annual Council Meeting, the election of the Chair should be the first item on the agenda – LGA 1972 2. Publication of a Website Accessibility Statement *Comment: in order to warrant a positive response to Assertion 7 of the Annual Governance Statement, council should seek to address the matters brought to its attention by internal (and external) audit.*
Has the Council confirmed the appointment of an internal auditor? *Has the letter of engagement been approved by full council?*	*Yes*	The appointment of the person to act as the parish council's independent internal auditor for the year 2024 – 2025 was approved at the council meeting of 24th April 2025. *Comment: Council has understood the requirement to ensure that there is an appointed person to provide assurance that the financial and management systems of the council are sound and adequate and internal control arrangements are efficient and effective.* The letter of engagement was approved at the meeting of 24th April 2025. *Comment: by approving the letter of engagement, Council will be following Proper Practices by ensuring it has clarity on the provision of internal audit including the roles and responsibilities, audit planning and timing of visits, reporting requirements, rights to access to information, members and officers, period of engagement and remuneration.*
Additional comments:		

Section 13 – 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?[12]	*Yes*	The External Audit Report and Certificate for the year ending 31st March 2024 was submitted to and considered by Full Council with formal adoption at the meeting of 26th September 2024.
Has appropriate action been taken regarding the comments raised?	*No*	The External Auditor's Report and Certificate shows a conclusion with the following commentary: Section 1, Assertion 2 has been incorrectly completed as not all payments during the year were supported by invoices. This has already been addressed by the council following the appointment of the new clerk. This is consistent with the Internal Auditor's response to Internal Control Objectives A and B. **Recommendation: as council has failed to ensure that all payments during the year were supported by invoices, it is advised to consider its response to Assertion 7 of the Annual Governance Statement.** The Internal Auditor is able to verify that the external auditor report and certificate along with the conclusion of the external audit have been published on the Council's website. Details as to how copies may be purchased have also been included. *Comment: Council has noted Regulation 20 (in part) which states that the annual audit letter received from the auditor must be considered by the authority and published (including publication on the authority's website) and to permit copies to be purchased.*
Additional comments:		

[12] 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 14 – 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? [13]	*Yes*	Council held its Annual Meeting of the Parish Council on 16th May 2024. The election of Chair was not the first item in accordance with legislation in place at that time.
Is there evidence that Minutes are administered in accordance with legislation? [14]	*Yes*	Council is aware 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. In accordance with legislation, looseleaf minutes have agenda items that are consecutively numbered.
Is there a list of members' interests held?	*Yes*	A copy of the members' interests for the seven serving councillors was seen on the district council's website. There is a no direct link from that of the parish council's.
Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?	*N/A*	Council has no declared trustee responsibility.
Has the Transparency Code been correctly applied, and information published in accordance with current legislation?	*Work required*	Council is aware that councils with gross income and expenditure under £25,000 are required to follow the Local Government Transparency Code 2014 for smaller authorities and publishes certain datasets on its website in accordance with the required timescales. **Recommendation: council should seek to demonstrate compliancy during the coming year and publish the datasets in accordance with the code for smaller authorities.**
Has the Council registered with the Information Commissioner's Office (ICO)?[15]	*Yes*	The Council is registered with the Information Commissioner's Office (ICO) as a Data Controller in accordance with the Data Protection Legislation. As defined under the Freedom of Information Act 2000, council has adopted and published a Publication Scheme which is available to view on the

[13] The Local Government Act 1972 Schedule 12, paragraph 7 (2) and Schedule 15 (2)
[14] Public Bodies (Admission to Meetings) Act 1960, Local Government Act 1972, and the Localism Act 2011
[15] Data Protection Act 2018

		website. *Comment: council should seek to ensure that the scheme is fully tailored to the council to accurately reflect council's activities undertaken and the manner in which information will be made available.*
Is the Council compliant with the General Data Protection Regulation requirements?	*Yes*	Council has shown compliance with the regulations and adopted appropriate policies that cover the framework that the public can expect for the handling of requests from individuals who have the right to know what data is held on them, why the data is being processed and whether it will be given to any third party.
Has the Council published a website accessibility statement on their website in line with Regulations?[16]	*No*	As previously stated, council has still to publish a website accessibility statement on the council operated website detailing the technical information of the website along with the methods used for testing the website; the steps being taken to improve accessibility and how the site is being improved to ensure that content meets the WCAG 2.1 Standard under Regulation 8 of the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018. **Recommendation: council should seek to address this outstanding audit point**.
Does the council have official email addresses for correspondence?[17]	*Yes*	Council has a dedicated domain name which supports a secure and digitally managed email system.
Is there evidence that electronic files are backed up?	*No*	Given that council has not been able to provide evidence of the files that were held on the council owned laptop, it is recommended that council seeks to ensure that its day-to-day records are subject to regular back-ups to a cloud-based secure system.
Do terms of reference exist for all committees and is there evidence these are regularly reviewed?	*Yes*	The terms of reference for the council's Staffing Committee were approved on 20th June 2024.
Additional comments:		

Signed: Victoria S Waples

[16] Website Accessibility Regulations 2018
[17] Practitioners Guide

Date of Internal Audit Review: 21.07.25 & 24.07.25 & 28.07.25

Date of Internal Audit Report: 30.07.25

On behalf of Suffolk Association of Local Councils

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