

## Internal Audit Report for Barningham Parish Council for the period ending 31 March 2025

Clerk	Vicki Gay
RFO (if different)	-
Chairperson	Councillor Janice Chalmers
Precept	£40,000.00
Income	£43,605.89
Expenditure	£38,964.00
General reserves	£22,702.37
Earmarked reserves	£NIL
Audit type	Annual – non-exempt authority
Auditor name	<b>Victoria Waples</b>

### 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

<b>Section 1 – proper bookkeeping</b> 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.		
<b>Evidence</b>		<i>Internal auditor commentary</i>
<i>Is the ledger maintained and up to date?</i>	Yes	The council uses Easy PC Accounts which is an accounting package for smaller councils and designed to produce accounts on a receipts and payments basis. The data is held securely in the cloud and allows for the automation of financial transactions. The software is maintained and all ledgers were up to date.
<i>Is the ledger on the correct basis in relation to the gross income/expenditure?</i>  (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 (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.
<i>Is the cash book up to date and regularly verified?</i>	Yes	The cashbook is reconciled on a regular basis. Council follows proper practices in ensuring that its accounting procedure gives an accurate presentation of an authority's true financial position by focusing on the balance of economic benefits that it has under its control, rather than just its bank balance and the Responsible Financial Officer (RFO) has ensured that there are clear financial management reports submitted to the council on a regular basis.
<i>Is the arithmetic correct?</i>	Yes	A number of spot checks were conducted, and the functionality of the cashbook was found to be in order.
<b>Additional comments:</b>		

<b>Section 2 – Financial Regulation and Standing Orders</b> 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	<p>Council's Standing Orders as seen on the website are dated with an adoption date of 5<sup>th</sup> October 2020.</p> <p><i>Comment: it is noted that the meeting of 7<sup>th</sup> May deferred the review of council's standing orders until the meeting of 11<sup>th</sup> June 2025. At this meeting, council should seek to adopt the updated Model Standing Order (England) 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.</i></p>
Are Financial Regulations up to date and reviewed annually?	No	<p>Financial Regulations, as seen on the Council's website show an adopted date of December 2020 and are based on the NALC Model Financial Regulations 2018 and contain out of date provisions relating to procurement.</p> <p><i>Comment: it is noted that the meeting of 7<sup>th</sup> May 2025 deferred the review of the council's financial regulations until the meeting of 11<sup>th</sup> June. Council might wish to note that revisions to the Model Financial Regulations were published on 13<sup>th</sup> March 2025, and these should be reviewed and adopted to the council for adoption at the earliest opportunity.</i></p>
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)? <sup>1</sup>	Yes	In accordance with Section 151 of the Local Government Act 1972(d) (financial administration), the Council has appointed a person (the Clerk) to be responsible for the administration of the financial affairs of the relevant

<sup>1</sup> Section 151 Local Government Act 1972 (d)

		authority. Council's Financial Regulation 1.5 confirms that the Clerk is so appointed.
<b>Section 3 – Payment controls</b> 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	<p>A selection of random payments were cross checked against minutes, cash book, bank statement and invoices and all were found to be recorded/ authorised in accordance with Proper Practices. On occasions the minutes do not accurately reflect the details contained within the payment schedules as circulated and submitted at each meeting. Discussion has been had with the clerk on this matter and it is noted that the clerk will be implementing a system whereby the schedule of payments (along with association documentation) requiring authorisation will be presented to a nominated councillor for verification purposes prior to being submitted to council for approval and resolution to proceed to payment at the scheduled meeting. Council follows the authorisation procedures for payments as set up under its adopted financial regulations as well as the internal controls that have been put in place to safeguard public finances. Financial Regulation 6.9 states that "If thought appropriate by the council, payment for certain items may be made by BACS or CHAPS methods provided that the instructions for each payment are signed, or otherwise evidenced, by two authorised bank signatories, are retained and any payments are reported to council as made."</p> <p><i>Comment: council ensures that there is clear evidence as to those who have made the internet payments with verification that the authorised signature has carried out a cross check prior to releasing the funds at the bank.</i></p>

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. The council's risk assessment documentation and internal control statement detail the procedure to be followed for the making of electronic payments in accordance with council's own Financial Regulations. Council operates with a complex mandate which follows a dual authorization process.
Is VAT correctly identified, recorded, and claimed within time limits?	Yes	VAT is identified in the cash book. The VAT recoverable at year-end totals £1,655.99. For the year 2024-2025 VAT has been appropriately identified in relation and correctly accounted for in the spreadsheets according to the council's business and non-business activities. <i>Comment: the RFO is aware of the time limits in which VAT reclaims can be made.</i>
Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly? <sup>2</sup>	N/A	The council has not confirmed that it is eligible to exercise the GPOC.
Are payments under s.137 <sup>3</sup> separately recorded, minuted and is there evidence of direct benefit to electorate?	Yes	Payments identified as being made under this power for the year under review totalled £50 and were separately recorded and of a direct benefit of the electorate. <i>Comment: council is 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.</i>
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	N/A	The council has not such loans.
<b>Additional comments:</b>		

<sup>2</sup> Localism Act

<sup>3</sup> 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
<i>Is there evidence of risk assessment documentation?</i>	<i>Not for the year under review</i>	<p>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 May 2025 for the coming 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.</p> <p><b>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 31<sup>st</sup> March 2025.</b></p>
<i>Is there evidence that risks are being identified and managed?</i>	Yes	<p>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.</p>
<i>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?</i>	Yes	<p>Council has insurance in place its main insurance under a Ecclesiastical Policy with Clear Council Insurers. Core cover for the council's insurance policy is shown as: Public &amp; Products Liability: £10million; Employer's Liability: £10million and Fidelity Guarantee of £250thousand.</p> <p><i>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.</i></p> <p>During the year under review, council is able to demonstrate, as evidenced from a review of the minutes, that it is aware that it is the responsibility of the Council as a whole to satisfy itself that insurances are adequate and that all steps have been taken to mitigate and manage identified risks with</p>

		appropriate insurance and that annual reviews of the Council's insurance were undertaken prior to renewal. Confirmation was given at the meeting in June 2024, that the insurance would be renewed with the current provider. <i>Comment: Council has ensured that it is 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).</i>
<i>Evidence that internal controls are documented and regularly reviewed<sup>4</sup></i>	<i>Partially met</i>	Through a number of tests, the council agreed, at its meeting of 5 <sup>th</sup> March 2025, to review its internal controls by appointing a council to conduct a review of the controls in place for council to consider their effectiveness. The report as carried out in 5 <sup>th</sup> March 2025 was presented for internal audit review. Whilst council's risk assessment also covers online banking arrangements and focuses on the risk associated with the management of public finances, there is no formal review by the council as a whole as to the effectiveness of the system of internal controls. <b>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.</b>
<i>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<sup>5</sup></i>	Yes	Council formally reviewed the scope and effectiveness of its internal audit arrangements at the meeting at which the internal auditor was appointed. <i>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.</i>

<sup>4</sup> Accounts and Audit Regulations

<sup>5</sup> Practitioners Guide

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
<i>Verify that budget has been properly prepared and agreed</i>	Yes	<p>The budget for the year 2024 - 2025 was approved at the Council meeting of 1<sup>st</sup> November 2023 with evidence given that the revenue budget would be set at £40,000 to be funded by the precept.</p> <p>The revenue budget for the year 2025 - 2026 was approved at the council meeting of 6<sup>th</sup> November 2024 and set at £45,000 to be funded by the precept.</p> <p><i>Comment: council should consider including 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.</i></p>
<i>Verify that the precept amount has been agreed in full Council and clearly minuted</i>	Yes	<p>The minutes of 1<sup>st</sup> November 2023 confirm that the precept to be levied for the year 2024 – 2025 would be set at £40,000.00 which would equate to an increase of 15.04% or £14.94 for a Band D dwelling.</p> <p>The precept for the year 2025 – 2026 was discussed and approved at the meeting of 6<sup>th</sup> November 2024 and set at 45,000.00. The precept approved would equate to a 10.95% increase or £12.51 per year for a Band D dwelling.</p>
<i>Regular reporting of expenditure and variances from budget</i>	Yes	<p>The minutes evidence that council conducted reviews covering the budget for the current year with a review of income and expenditure against budget at each meeting. A monitoring statement is produced which includes a breakdown of all receipts and payments balance with variances against budgets and details of virements as approved by the council to balance the budget set.</p> <p><i>Comment: Council in accordance with its own standing order 17c produces regular statements 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.</i></p>

Reserves held – general and earmarked <sup>6</sup>	Yes	<p>The Council, as at year-end, had overall reserves totalling £22,700. <i>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).</i></p> <p><b>Recommendation: council should seek to address the recommendation as raised in the previous internal audit review and 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.</b></p>
Additional comments: Council has shown good practice by ensuring the recommended key stages as to the budgetary process are followed for the year and has ensured that progress against the budget is reviewed regularly throughout the year.		

<sup>6</sup> 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

<b>Section 6 – income controls</b>		
The internal auditor will seek evidence to ensure income is correct managed – recorded, banked, and reported and test mechanisms used to achieve this.		
<b>Evidence</b>		Internal auditor commentary
<i>Is income properly recorded and promptly banked?</i>	Yes	Income is recorded in accordance with Council's Financial Regulations. A sample of receipts was checked against cash book and bank statement and found to be in order and recorded 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.
<i>Is income reported to full council?</i>	Yes	Income received is reported to full Council within the financial reports submitted to full Council in accordance with council's financial regulations. Whilst there was no formal review of the fees and charges during the year under review, it is noted that the Cemetery Regulations were reviewed in March 2024, but no amendments appear to have been made to the fees set in 2020. Council is reminded that fee reviews are essential to ensure that the council's income module remains competitive as well as ensuring profitability is maintained. This will ensure that the council's revenue streams are fully optimized allowing for adjustments where necessary. <i>Comment: in accordance with its own Financial Regulations, council should ensure that it carries out a review of all fees and charges annually, with increases as deemed appropriate.</i> A sample review of the control fees for the above was undertaken during the internal audit review and all expected income was found to be based on the correct price, properly recorded and promptly banked.
<i>Does the precept recorded agree to the Council Tax Authority's notification?</i>	Yes	Council received precept in the sum of £40,000.00 from West Suffolk Council for the period under review as reported to full Council within its Financial Reports at its meetings in May 2024.
<i>If appropriate, are CIL reporting schedules in accordance with the Regulations?<sup>7</sup></i>	N/A	The district in which the parish council lies does not operate CIL.

<sup>7</sup> Community Infrastructure Levy Regulations 2010

<i>Is CIL income reported to the council?</i>	N/A	
<i>Does unspent CIL income form part of earmarked reserves?</i>	N/A	
<i>Has an annual report been produced?</i>	N/A	
<i>Has it been published on the authority's website?</i>	N/A	
<b>Additional comments:</b>		

<b>Section 7 – petty cash</b> 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
<i>Is petty cash in operation?</i>	N/A	Council does not operate a petty cash system.
<i>If appropriate, is there an adequate control system in place?</i>	N/A	
<b>Additional comments:</b>		

<b>Section 8 – Payroll controls</b>		
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.		
<b>Evidence</b>		Internal auditor commentary
<i>Do all employees have contracts of employment?</i>	Yes	Council had 2 employees on its payroll at the period end of 31 <sup>st</sup> March 2025. Employment contracts were not reviewed during the internal audit but the Clerk to the Council has confirmed that a contract of employment in place.
<i>Has the Council approved salary paid?</i>	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. <i>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.</i>
<i>Minimum wage paid?</i>	No	No employee is paid the minimum wage.
<i>Are arrangements in place for authorising of the payroll and payments to the council? Does this include a verification process for agreeing rates of pay to be applied?</i>	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.
<i>Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?</i>	Yes	The payroll function for the year under review is operated in accordance with HM Revenue and Customs guidelines. 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.
<i>Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?<sup>8</sup></i>	Yes	Council is aware of its pension responsibilities and one member of staff is enrolled into a pension scheme provided by the employer.
<i>Have pension re-declaration duties been carried out</i>	Yes	From paperwork seen, the council completed its re-declaration of compliance with The Pensions Regulator in April 2024.

<sup>8</sup> The Pension Regulator – [website click here](#)

<i>Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?</i>	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.
<b><i>Additional comments:</i></b>		

<b>Section 9 – Asset control</b>		
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.		
<b>Evidence</b>		<b>Internal auditor commentary</b>
<i>Does the Council maintain a register of material assets it owns and manage this in accordance with proper practices?<sup>9</sup></i>	Yes	The Asset Register, as submitted for internal audit review, reflects those items listed under insurance and within the parish council's remit for maintenance and ownership. It is noted that the declared value for all assets at year-end (31.03.2025) is £141,535 which reflects nil movement during the year. For comparison, the declared value on the asset register as at 31.03.24 was £141,535.
<i>Is the value of the assets included? (Note value for insurance purposes may differ)</i>	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.
<i>Are records of deeds, articles, land registry title number available?</i>	N/A	Records of deeds, articles, land registry title number were not reviewed during the internal audit which was conducted via remote means.
<i>Are copies of licences or leases available for assets sited at third party property?</i>	N/A	Council has not declared that it has any assets located on third party property.
<i>Is the asset register up to date and reviewed annually?</i>	Yes	The values as seen on the Asset Register on the website in the sum of £141,535.00 match those on the Draft Accounting Statements.
<i>Cross checking of insurance cover</i>	Yes	Council has appropriate insurance under all risks cover for its assets as specified under the headings on the insurance schedule.
<b>Additional comments:</b>		

<sup>9</sup> 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
<i>Is bank reconciliation regularly completed and reconciled with the cash book and cover every account?</i>	Yes	Bank reconciliations are completed on a regular basis and reconcile with the cash sheets. Overall there is regular reporting of bank balances within the detailed financial reports submitted to full council. <i>Comment: council has understood 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.</i>
<i>Do bank balances agree with bank statements?</i>	Yes	Bank balances as of 31 <sup>st</sup> March 2025 agree with the year-end bank statements and at year end stood at £22,702.37 across the accounts held in the parish council's name. <i>Comment: the internal auditor is able to verify the year-end bank reconciliation detail and can ensure that the combined cash and bank balances as identified are included within the AGAR, section 2, line 8.</i>
<i>Is there regular reporting of bank balances at Council meetings?</i>	Yes	Balances across the Council's accounts are reported at each meeting of the council. The minutes of council meetings, demonstrate that an internal review and verification of the bank reconciliation versus the bank statements has been undertaken. <i>Comment: this is not only good practice but is also a safeguard for the RFO and fulfils one of the authority's internal control objectives.</i>
<i>Additional comments:</i>		

Section 11 – year end procedures		
Evidence		Internal auditor commentary
Are appropriate accounting procedures used?	Yes	Accounts are produced on a receipts and payments basis, and all found to be in order.
Financial trail from records to presented accounts	Yes	The end of year accounts were presented for the internal auditor review and confirmation is given that there is a clear financial trail from records to presented accounts.
Has the appropriate end of year AGAR <sup>10</sup> documents been completed?	Yes	As Council is a smaller authority with gross income and expenditure exceeding £25,000 it will be required to complete the Annual Governance and Accountability Return (AGAR) Form 3. The Accounting Statements were submitted in draft form for the internal audit review, and it is assumed that the figures submitted will be those that are replicated in their entirety onto the AGAR.
Did the Council meet the exemption criteria and correctly declared itself exempt?	N/A	As the Parish Council had gross income and expenditure exceeding £25,000 during 2023-2024, it was not able to declare itself exempt from a limited assurance review for the year ending 31 <sup>st</sup> March 2024.
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?	Yes	The internal auditor is able to confirm that the notice of the public rights seen on the website had the dates of 3 <sup>rd</sup> June to 12 <sup>th</sup> July 2024 with the form dated 29 <sup>th</sup> April 2024. <i>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.</i>
Have the publication requirements been met in accordance with the Regulations? <sup>11</sup>	Yes	The Council has partially complied with the requirements of the Accounts and Audit Regulations 2015 for smaller authorities with income and expenditure exceeding £25,000 for the year ending 31 <sup>st</sup> March 2024 as although it has published the following on a public website:

<sup>10</sup> Annual Governance & Accountability Return (AGAR)

<sup>11</sup> Accounts and Audit Regulations 2015

		<ul style="list-style-type: none"><li>• Notice of the period for the exercise of public rights</li><li>• Annual Internal Audit Report</li><li>• Notice of conclusion of audit</li><li>• Section 3 – External Auditor’s Report and Certificate of the AGAR</li><li>• Sections 1 and 2 of the AGAR (audited) including any amendments as a result of the limited assurance review</li></ul>
<b><i>Additional comments:</i></b>		

<b>Section 12 – internal audit</b>		
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.		
<b>Evidence</b>		<i>Internal auditor commentary</i>
<i>Has the Council considered the previous internal audit report?</i>	Yes	The Internal Audit Report for the period ending 31 <sup>st</sup> March 2024 was formally considered by and approved for adoption at the meeting of full Council of 1 <sup>st</sup> May 2024.
<i>Has appropriate action been taken regarding the recommendations raised?</i>	Yes	At the meeting of 1 <sup>st</sup> May 2024, council undertook a formal review of the report and considered proposed actions from the Clerk arising from the recommendations and comments from the Internal Audit Report. The recommendations raised within the internal audit report for the year ending 31 <sup>st</sup> March 2024 were as follows and those in bold are outstanding: <ol style="list-style-type: none"> <li>1. <b>Adoption of a general reserves policy</b></li> <li>2. Review treatment of apologies</li> <li>3. <b>Adoption and publication of a Publication Scheme (under the Freedom of Information Act)</b></li> <li>4. Adoption of policies to show compliancy with GDPR</li> </ol> <i>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.</i>
<i>Has the Council confirmed the appointment of an internal auditor?</i>	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 5 <sup>th</sup> March 2025. <i>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.</i>
<i>Has the letter of engagement been approved by full council?</i>		The letter of engagement was approved at the meeting of 5 <sup>th</sup> March 2025. <i>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,</i>

		<i>reporting requirements, rights to access to information, members and officers, period of engagement and remuneration.</i>
<b><i>Additional comments:</i></b>		

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? <sup>12</sup>	Yes	The External Audit Report and Certificate for the year ending 31 <sup>st</sup> March 2024 was submitted to and considered by Full Council with formal adoption at the meeting of 11 <sup>th</sup> September 2024.
Has appropriate action been taken regarding the comments raised?	N/A	<p>The report from the external auditors details a certification which was completed with no exceptions.</p> <p>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.</p> <p><i>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.</i></p>
<b>Additional comments:</b>		

<sup>12</sup> 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.

<b>Section 14 – additional information</b> The internal auditor will look for additional evidence of good record keeping, compliance with data protection regulations, freedom of information and website accessibility regulations.		
<b>Evidence</b>		<i>Internal auditor commentary</i>
<i>Was the annual meeting held in accordance with legislation?</i> <sup>13</sup>	Yes	Council held its Annual Meeting of the Parish Council at which the Chair was elected on 1 <sup>st</sup> May 2024 in accordance with legislation in place at that time.
<i>Is there evidence that Minutes are administered in accordance with legislation?</i> <sup>14</sup>	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.
<i>Is there a list of members' interests held?</i>	Yes	A copy of the members' interests for all of the serving councillors was seen on the district council's website with a direct link from that of the parish council's.
<i>Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?</i>	N/A	Council has no declared trustee responsibility.
<i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i>	Yes	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. For those authorities that fall between the Transparency Code 2014 and the Transparency Code 2015 (gross income and expenditure exceeding £200,000), guidance is given that councils should strive to follow the provisions of the 2015 code. <i>Comment: council, by publishing certain datasets on its website in accordance with the required timescales, is working towards compliancy of the 2014 code.</i>
<i>Has the Council registered with the Information Commissioner's Office (ICO)?</i> <sup>15</sup>	Yes	The Council is correctly registered with the Information Commissioner's Office (ICO) as a Data Controller in accordance with the Data Protection Legislation.

<sup>13</sup> The Local Government Act 1972 Schedule 12, paragraph 7 (2) and Schedule 15 (2)

<sup>14</sup> Public Bodies (Admission to Meetings) Act 1960, Local Government Act 1972, and the Localism Act 2011

<sup>15</sup> Data Protection Act 2018

		<p>As defined under the Freedom of Information Act 2000, council should be aware that it needs to adopt and publish a Publication Scheme, tailored to the council to accurately reflect council's activities undertaken and the manner in which information will be made available.</p> <p><b>Recommendation: Council should seek to ensure that during the coming year it addresses this outstanding audit point.</b></p>
<i>Is the Council compliant with the General Data Protection Regulation requirements?</i>	Yes	<p>Council has adopted and published a policy that covers 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 and to link this into a Data Retention Policy which would detail the periods for which documentation will be held, along with the methods of disposal.</p> <p><b>Recommendation: Council might wish to consider further policies detailing the procedures to be followed for dealing with subject access; freedom of information requests and procedures for dealing with data breaches.</b></p>
<i>Has the Council published a website accessibility statement on their website in line with Regulations?<sup>16</sup></i>	Yes	<p>Council has published 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.</p>
<i>Does the council have official email addresses for correspondence?<sup>17</sup></i>	Yes	<p>Council uses a .gov.uk domain with dedicated emails for the council's officers.</p> <p><i>Comment: council might wish to be aware of the new Assertion in the Annual Governance Statement (effective April 2025) which, to warrant a positive response, requires the council to have a generic email account hosted on an authority owned domain.</i></p> <p>Sections 5.117 to 5.120 in the Proper Practices Guide (March 2025) provides clarity on the manner in which an authority owned email account</p>

<sup>16</sup> Website Accessibility Regulations 2018

<sup>17</sup> Practitioners Guide

		satisfies GDPR principles, integrity, confidentiality, accountability and transparency.
<i>Is there evidence that electronic files are backed up?</i>	Yes	Council uses a system whereby a back-up of the council's data is taken and stored appropriately.
<i>Do terms of reference exist for all committees and is there evidence these are regularly reviewed?</i>	N/A	Council does not operate a committee system.
<b><i>Additional comments:</i></b>		

Signed: Victoria S Waples

Date of Internal Audit Review: 05/06/2025 & 07/06/2025

Date of Internal Audit Report: 07/06/2025

On behalf of Suffolk Association of Local Councils