

Internal Audit Report for Reydon Parish Council for the period ending 31 March 2026

Clerk	Ann Dobson
RFO (if different)	-
Chairperson	Councillor Linda Coe
Precept	£32,845.63
Income	£248,337.49
Expenditure	£72,712.92
General reserves	£34,503.89
Earmarked reserves	£219,249.26
Audit type	Annual – Non- 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 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		<i>Internal auditor commentary</i>
Have Standing Orders been adopted, up to date and reviewed annually?	Yes	Council's Standing Orders, as adopted at the meeting of 19 th March 2026, are based on the latest model published by the National Association of Local Councils (NALC), April 2025 and are fully tailored to the council.
Are Financial Regulations up to date and reviewed annually?	Yes	Financial Regulations, as seen on the Council's website were reviewed at the meeting of 22 nd May 2025 and are based on the NALC Model Financial Regulations published in March 2025. <i>Comment: council might wish to review the NALC Advice Note – Procurement, 3 February 2026 link to view the advice note and ensure any applicable revisions are incorporated at the next annual review.</i>
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), council has appointed a person to be responsible for the administration of the financial affairs of the relevant authority. Council's own financial regulation 1.5 confirms that the Clerk is so appointed.
Additional comments:		

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	<i>Internal auditor commentary</i>

¹ Section 151 Local Government Act 1972

<p><i>Verify that budget has been properly prepared and agreed</i></p>	<p>Yes</p>	<p>The budget for the year 2025 - 2026 was approved at the Council meeting of 21st November 2024 and was set at £50,500 to be funded by the precept, known income streams and council's reserves. A revised budget was produced and confirmed at the meeting of 22nd May 2025 in the sum of £48,080.00 following the finalisation of the year end accounts for 31st March 2025.</p> <p>The budget for the year 2026 - 2027 was approved at the council meeting of 18th December 2025. The minutes do not reference the budget being set but it is noted, from paperwork seen on the website, that the budget was set at £48,587.00</p> <p><i>Comment: council should ensure that it is consistent in evidencing within 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>
<p><i>Verify that the precept amount has been agreed in full Council and clearly minuted</i></p>	<p>Yes</p>	<p>The minutes of 21st November 2024 confirmed that the precept to be levied for the year 2025 - 2026 would be set at £32,845.63. The minutes demonstrate that this would be result in a Council Tax Band D of £24.18 which was a nil increase on that set the previous year.</p> <p>The precept for the year 2026 - 2027 was discussed and approved at the meeting of 18th December 2025 and set at £34,845.63 being a £2,000 increase. The minutes demonstrate that this would result in a Council Tax Band D of £25.82 which would be an increase of 6.78% over that set for the previous year.</p> <p><i>Comment: in accordance with best practice, council has recorded in the minutes the impact the precept being set would have on a Band D Dwelling in percentage terms.</i></p>
<p><i>Regular reporting of expenditure and variances from budget</i></p>	<p>Yes</p>	<p>Council received quarterly reports detailing reviews covering comparisons between budgeted and actual income and expenditure as carried out by the Finance Committee.</p> <p><i>Comment: council is acting in accordance with the timescales as specified in its own Standing Order 17c.</i></p>

<p><i>Reserves held – general and earmarked²</i></p>	<p>Yes</p>	<p>The Council, as at year-end, had overall reserves of £253,753.15 broken down as General Reserves totalling £34,503.89 and Earmarked Reserves of £23,115.10 and Restricted Reserves (CIL Reserve) of £196,134.16. <i>Comment: Council has followed 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.</i> Council's adopted Reserve Policy states that General Reserves should be equal to between nine and twelve months of predicted expenditure. <i>Comment Council has ensured that the level of general reserves held is in accordance with its adopted General Reserve Policy. It has noted that 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>Additional comments:</p>		

<p>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.</p>		
<p>Evidence</p>		<p><i>Internal auditor commentary</i></p>
<p><i>Is the ledger maintained and up to date?</i></p>	<p>Yes</p>	<p>Excel spreadsheets were submitted for internal audit review, and these have been used to produce reports on a Receipts and Payments basis.</p>
<p><i>Is the ledger on the correct basis in relation to the gross income/expenditure?</i></p>	<p>Yes</p>	<p>Council's gross income and expenditure level is above the threshold of £200,000 for this year only. Previously it has been below for three (3) continuous years. Council's operating under this limit may choose either to report on an income and</p>

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

		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.
<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.
Recommendation: council should ensure that there is clear evidence, either within the minutes or the cashbook, of 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.		

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		<i>Internal auditor commentary</i>
Is there supporting paperwork for payments with appropriate authorisation?	Yes	A selection of random payments were cross checked minutes, cash book, bank statement and invoices and all were found to be recorded / authorised in accordance with Proper Practices. All were found to be in order. A financial statement is submitted at each relevant meeting detailing the payments to be made, with reference made within the body of the minutes as to the payments being authorised.
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. Whilst the council's risk assessment documentation details the procedure to be followed for cheque payments, council's Internal Controls details the procedure to be followed for the making of electronic payments in accordance with council's own Financial Regulations.

<p>Is VAT correctly identified, recorded, and claimed within time limits?</p>	<p>Yes</p>	<p>VAT is identified in the cash book and settled at appropriate intervals. The claim covering the period 9th January to 31st May 2025 in the sum of £15,303.18 was settled on 4th June 2025; the claim covering 1st June to 31st October 2025 in the sum of £3,347.53 was settled on 5th November 2025 whilst the claim covering the period 1st November 2025 to 28th February 2026 was settled on 31st March 2026. The year end VAT position is confirmed as £207.10.</p> <p><i>Comment: the Clerk has ensured that the council has complied with section 33 of the 1994 VAT Act which allows local authorities and other public bodies to recover VAT incurred on costs associated with: non-business activities, taxable business activities where the body is VAT registered (subject to the normal rules), and exempt business activities (where the input tax incurred in relation to exempt activities is considered to be insignificant).</i></p>
<p>Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly?³</p>	<p>N/A</p>	<p>The council has not confirmed that it is eligible to exercise the GPOC.</p>
<p>Are payments under s.137⁴ separately recorded, minuted and is there evidence of direct benefit to electorate?</p>	<p>Yes</p>	<p>Payments made under this power for the year under review totalled £6,704.00 and were within statutory limits and deemed to be of benefit to the electorate.</p> <p>Recommendation: as previously advised, council should seek to ensure that there is clarity as to expenditure being incurred under this power.</p> <p><i>Comment: The Local Government Transparency Code 2015 requires all Parish Councils to publish data if they have a gross annual income or expenditure exceeding £200,000. The Code specifies how frequently data is to be published, be it quarterly, annually or once only, but in many cases encourages more frequent publication. Section 42 provides clarity on the manner in which this information should be produced whilst section 43 details the information that must be published as a minimum concerning grants awarded: date the grant was awarded; time period for which the grant has</i></p>

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.

		<i>been given; local authority department which awarded the grant; beneficiary; beneficiary's registration number (if applicable) summary of the purpose of the grant, and amount. Council should seek to comply with the 2015 publication requirements.</i>
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	N/A	Council has no such loans.
Additional comments:		

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
<i>Is income properly recorded and promptly banked?</i>	Yes	Income is recorded in accordance with the Council's Financial Regulations. The accounting records contain 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. The minutes of 19 th June 2025, confirm that council accepted the proposal to not increase allotment rents effective 1 st October 2025. The minutes noted that a request would be submitted to all allotment holders to consider contributing to the excessive water bill that had been recently received. <i>Comment: council is aware 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>
<i>Does the precept recorded agree to the Council Tax Authority's notification?</i>	Yes	Council received precept in the sum of £32,845.62 from East 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.
<i>If appropriate, are CIL reporting schedules in accordance with the Regulations?⁵</i>	Yes	CIL reporting schedules are maintained in accordance with the Regulations. Updates are given at each meeting in relation to CIL expenditure and overall balances for approved CIL funded projects.
<i>Is CIL income reported to the council?</i>	Yes	Council received £180,505.96 CIL receipts during the year under review (April £84,375.50 and October £96,130.46)
<i>Does unspent CIL income form part of earmarked reserves?</i>	Yes	The CIL workings for 2025 - 2026 shows that there is a retained balance of £196,134.16 which has been transferred into in an Earmarked Reserve specifically allocated, in accordance with the Regulations.
<i>Has an annual report been produced?</i>	Yes	The annual CIL statement has been produced detailing the relevant figures and carry forward balance.
<i>Has it been published on the authority's website?</i>	Yes	The annual CIL statement, having been approved and signed by the Chair and Clerk has been uploaded to the website.
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
<i>Is petty cash in operation?</i>	N/A	
<i>If appropriate, is there an adequate control system in place?</i>	N/A	
Additional comments: a petty cash system is not operated by the council.		

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
<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 financial reports submitted to full council.
<i>Do bank balances agree with bank statements?</i>	Yes	Bank balances as of 31st March 2025 agree with the year-end bank statements and at year end stood at £7,179.39 across the accounts held in the parish council's name.
<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 full Council. Council's internal control statement confirms that reconciled accounts including bank reconciliation are presented to the council at council meetings, thereby demonstrating that an internal review and verification 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. <i>Comment: council has implemented a system whereby the bank statements are verified and initialled by the Chair of the Finance Committee thereby authenticating the balances held and reported.</i>
Additional comments: <i>there is a sweeping system in place between the two accounts operated by the council to ensure that funds are moved between the accounts based on specific balances being retained in the current account.</i>		

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

<i>Do all employees have contracts of employment?</i>	Yes	Council had two employees on its payroll at the period end of 31 st March 2026. Employment contracts were not reviewed during the internal audit, but the Clerk to the Council has confirmed that all Contracts of Employment are 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. Amendments to contracts are formally approved by full Council. <i>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.</i>
<i>Are all employees paid at least the minimum wage?</i>	Yes	One 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 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 are made in accordance with approved schedules and collected by variable direct debit.
<i>Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?⁶</i>	Yes	Council is aware of its pension responsibilities, and the members of staff are not 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 on 3ed March 2025.
<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.
Additional comments:		

⁶ The Pension Regulator – [website click here](#)

Section 9 – Year End procedures		
Evidence		<i>Internal auditor commentary</i>
<i>Are appropriate accounting procedures used?</i>	Yes	Accounts are produced on a receipts and payments basis.
<i>Financial trail from records to presented accounts</i>	Yes	The Internal Auditor confirms that having reviewed the year-end files, there is a full underlying financial trail from financial records to the accounts produced. The accuracy of the year-end bank reconciliation detail is verified along with the correct disclosure of the combined cash and bank balances in the Draft AGAR, section 2, line 8.
<i>Has the appropriate end of year AGAR⁷ documents been completed?</i>	Yes	As Council is a smaller authority with gross income and/or 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 on the AGAR Form 3. It should be noted that given its level of income, the Council meets the requirement for an intermediate level review. Details of the additional submission requirements for those meeting this level of review can be found within the Detailed Instructions Update for the year ending 31 st March 2026.
<i>Did the Council meet the exemption criteria and correctly declared itself exempt?</i>	N/A	As the council had gross income and expenditure exceeding £25,000 during 2024-2025 it was not able to declare itself exempt from a limited assurance review for the year ending 31 st March 2025.
<i>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?</i>	Yes	The internal auditor is able to confirm that the period for the public rights exercise covered the period 3 rd June to 14 th July 2025. It is confirmed that the notice of the public rights for the year ending 31 st March 2025, dated 15 th May 2025, was found on the council operated website. <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</i>

⁷ Annual Governance & Accountability Return (AGAR)

		<p><i>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.</i></p>
<p><i>Have the publication requirements been met in accordance with the Regulations?⁸</i></p>	<p>Yes</p>	<p>The Internal Auditor is able to confirm that the Council has complied with the requirements of the Accounts and Audit Regulations 2015 for smaller authorities with income and expenditure exceeding £25,000, as it has published the following for the year 2024 - 2025 on a publicly accessible website:</p> <ul style="list-style-type: none"> • Internal Audit Report of the AGAR • Section 1 – Annual Governance Statement of the AGAR - unaudited • Section 2 – Accounting Statements of the AGAR – unaudited • Declaration that the accounting statements are as yet unaudited. • Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015. • Section 3 – The External Auditor Report and Certificate • Notice of Conclusion of Audit • Sections 1 and 2 of the AGAR as audited.
<p><i>Additional comments:</i></p>		

<p>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.</p>	
<p>Evidence</p>	<p>Internal auditor commentary</p>

⁸ Accounts and Audit Regulations 2015

<p><i>Is there evidence of risk assessment documentation?</i></p>	<p>Yes</p>	<p>The risk assessment documentation as reviewed provides details of the risks associated with the functioning of a smaller authority and the measures that the Council will undertake to mitigate such risks. The Risk Register for the year under review was considered and adopted by the council at its meeting of 22nd May 2025.</p>
<p><i>Is there evidence that risks are being identified and managed?</i></p>	<p>Yes</p>	<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 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. <i>Comment: council has in place monitoring documents which identify the risks involved with and the potential for improvements to its arrangements to protect public money. It provides the opportunity for reviews of operational as well as financial and governance reviews by members to ensure that it has mitigation measures in place to address the risks associated with the council's day to day operations.</i></p>
<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></p>	<p>Yes</p>	<p>Council has insurance in place under a Charity and Community (Essentials) Policy with Ansvar Insurance. The schedule shows core cover for the following: Public Liability £10million; Employer Liability £10million; and Fidelity Guarantee of £100thousand. Recommendation: given the level of reserves being held by the council, council is advised to review the 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. During the year under review, evidenced from a review of the minutes of the meeting of 18th September 2025, council is able to demonstrate 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 appropriate insurance and that annual reviews of the Council's insurance were undertaken prior to renewal. <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></p>

<p><i>Evidence that internal controls are documented and regularly reviewed⁹</i></p>	<p>Yes</p>	<p>Council adopted an Internal Control Statement for the year ending 31st March 2026 at the meeting of 18th September 2025. A review via control tests was carried out at the end of the financial year and reported to full Council. <i>Comment: As such, it is evidenced from the document seen, that the council, in accordance with Regulation 6 of the Accounts and Audit Regulations 2015, confirmed that the financial and management systems of the council were sound and adequate and internal control arrangements were efficient and effective to address the risks associated with the management of public finances.</i></p>
<p><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 appointment¹⁰</i></p>	<p>Yes</p>	<p>The council formally reviewed the scope and effectiveness of its internal audit arrangements within the adopted internal control statement. <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></p>
<p>Additional comments:</p>		

<p>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.</p>	
<p>Evidence</p>	<p>Internal auditor commentary</p>

⁹ Accounts and Audit Regulations

¹⁰ Practitioners Guide

<i>Does the Council maintain a register of material assets it owns and manage this in accordance with proper practices?¹¹</i>	Yes	The Asset Register, as seen on the council's website, 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 (31.03.2026) is £1812,821.73 which reflects costs incurred in the refurbishment of the bus shelter.
<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 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.
<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 assets located on third party property for which a formal lease is required.
<i>Is the asset register up to date and reviewed annually?</i>	Yes	The asset register seen is still to be formally reviewed and signed off but it is assumed that the values to be inserted on the Accounting Statements will be £182,822 (rounded).
<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. Specified cover is in place for named items on the schedule.
Additional comments:		
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	<i>Internal auditor commentary</i>	
<i>Has the Council registered with the Information Commissioner's Office (ICO)?¹²</i>	Yes	As a Data Controller, all local authorities are required to register with the Information Commissioner's Office (ICO) in accordance with Data

¹¹ Practitioners Guide

¹² Data Protection Act 2018

		Protection Legislation. It is noted that the council's registration was renewed in September 2025. Registration Certificate: ZA346259 refers.
<i>Is there an adopted council publication scheme and is it reviewed regularly?</i>	Yes	The Freedom of Information Act 2000 requires every public authority to have a publication scheme, approved by the ICO, and to publish information covered by this scheme. Council's publication scheme was viewed on the website and is held in accordance with the defined guidelines.
<p><i>Is the Council compliant with the General Data Protection Regulation requirements?¹³</i></p> <p><i>Councils must:</i></p> <ul style="list-style-type: none"> • <i>Comply with their legal & statutory obligations under UK GDPR & The Data Protection Act 2018</i> • <i>Process personal data lawfully, fairly and in line with the prescribed data protection principles</i> • <i>Recognise their role as both data controller and data processor</i> 	Yes	<p>Council has taken active steps to ensure compliancy with the GDPR requirements and has adopted a Data Protection and Information Management Policy which details the manner in which the parish council will protect and handle information relating to personal information. The Policy provides clear responsibilities and obligations of the council in respect of the collecting, using and protecting of personal information in accordance with the provisions of the GDPR and covers the measures that the council will undertake to ensure adequate provision for the preservation of documents, books and papers belonging to the parish.</p> <p><i>Comment: to ensure that the policy is fully tailored to the parish council it should review the following:</i></p> <p><i>Section 7 needs completing "This is called a Subject Access Request (SAR). Information on how an individual can make a SAR can be found [input where this information can be found]"</i></p> <p><i>Section 12.5 needs completing: "Users must inform [insert the key contact] immediately if they suspect a computer may have a virus".</i></p> <p>The policy also confirms that the Council "has the appropriate measures in place to determine the basis for lawful processing and will undertake risk assessments to ensure compliance with the law. These measures include the use of Data Protection Impact Assessments (DPIAs)."</p> <p><i>Comment: to ensure compliance with the data protection regulations, council should conduct regular data audits to identify the personal information held by the council, the manner in which it is held and the lawful basis in which the information is being processed.</i></p>

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

<p><i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i></p>	<p><i>Work required</i></p>	<p>To ensure compliance with the requirements of the Local Government Transparency Code 2015 (turnover exceeding £200,000), council should be aware that the following information should be published:</p> <p><u>Publish quarterly</u></p> <ul style="list-style-type: none"> • Individual items of expenditure that exceed £500 • Government Procurement Card transactions • Invitations to tender for contracts over £5,000 • Details of contracts that exceed £5,000 <p><u>Publish annually</u></p> <ul style="list-style-type: none"> • Details of all land and building assets • Grants to Voluntary, Community and Social Enterprise Organisations • Details of number of employees whose remuneration is over £50K and job title <p>Recommendation: council should seek to ensure that it complies with the publication timescales listed above for the year 2026-2027.</p>
<p><i>Has the Council published a website accessibility statement on their website in line with Regulations?¹⁴</i></p>	<p>Yes</p>	<p>The Council has published a website accessibility statement on the council operated website detailing the technical information of the website stating that the website is fully compliant with the WCAG 2.2 AA Standard under Regulation 8 of the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.</p>
<p><i>Has website accessibility been tested, at least annually?</i></p>	<p>Yes</p>	<p>The accessibility statement is up to date and states that the website was reviewed externally and fully updated to meet the new requirements in October 2025 and internally in November 2025.</p>
<p><i>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</i></p>	<p>Yes</p>	<p>Council currently operates with the website: https://reydonvillage.org/ which supports a secure and digitally managed email system for officers and councillors.</p> <p><i>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.</i></p>

¹⁴ Website Accessibility Regulations 2018

¹⁵ Practitioners Guide

<i>Does the council have an IT policy that is tailored to the council?</i> ¹⁶	Yes	The Council, at its meeting of 22 nd September 2025, adopted an IT Policy for use of IT equipment for authority business for both Staff and Councillors which explains how all involved with the authority – clerks and members - should conduct authority business in a secure and legal way when using IT equipment and software. This also relates to the use of authority-owned and personal equipment.
Additional comments:		

<p>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.</p>		
Evidence	<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 st March 2025 was formally considered by and approved for adoption at the meeting of full Council of 22 nd May 2025. At the same meeting, council agreed that the scope and effectiveness of the internal audit, which is to report on the adequacy of the system of internal control within the Parish Council, was effective and a useful service.
<i>Has appropriate action been taken regarding the recommendations raised?</i>	<i>Work in Progress</i>	The following matters or recommendations were raised in the report and council has taken steps to review and implement policies and procedures to address the area identified for improvement or development: <ol style="list-style-type: none"> 1. of Remove [] brackets in the adopted Financial Regulations. 2. Publication the of risk register documentation. 3. Review of the scope and effectiveness of internal audit arrangements. 4. Evidence within the minutes the budget being set and any amendments that may arise. 5. Record the dates for the notice of public exercise or rights within the minutes of the meeting they are agreed.

¹⁶ Practitioners Guide

		<p>6. Upload the narrative SALC report as best practice.</p> <p>7. Minute to confirm that the parish council formally reviewed the scope and effectiveness of its internal audit arrangements.</p> <p>8. Review of powers use for the purpose of making all payments on behalf of the parish council.</p> <p>9. Production of an action plan setting out the areas of improvement or development as identified within the narrative internal audit report.</p> <p>10. Record the appointment of the internal auditor.</p> <p>11. Election of Chair to be the first item on the agenda.</p> <p>12. Implementation of a sequential numbering system for pages of minutes if parish council meetings</p> <p>13. Use of an email on a council owned domain for officers (at least) of the parish council.</p> <p>14. Adoption of terms reference of Standing Committees</p> <p>Recommendation: Those in bold are outstanding and should be addressed during the coming year.</p>
<p><i>Has the Council confirmed the appointment of an internal auditor?¹⁷</i></p> <p><i>Has the letter of engagement been approved by full council?¹⁸</i></p>	<p>Yes</p>	<p>The appointment of the person to act as the parish council's independent internal auditor for the year 2025 - 2026 was approved at the council meeting of 19th February 2026.</p> <p><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></p> <p>The letter of engagement was approved at the same meeting.</p> <p><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, reporting requirements, rights to access to information, members and officers, period of engagement and remuneration.</i></p>
<p>Additional comments:</p>		

¹⁷ Practitioners' Guide

¹⁸ Practitioners' Guide

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		<i>Internal auditor commentary</i>
<i>Has the Council considered the previous external audit report?¹⁹</i>	Yes	The External Audit Report and Certificate for the year ending 31 st March 2025 was submitted to the meeting of 18 th September 2025. The minutes of which note that the report has been received and accepted and that the RFO ha uploaded all of the documents to the website.
<i>Has appropriate action been taken regarding the comments raised?</i>	<i>In progress</i>	The following matters were brought to the attention of the council and those reviewing the financial records “in the completion of their detailed report, the internal auditor has drawn attention to weaknesses in relation to reviewing the effectiveness of internal audit and the recording of decisions in the minutes. The smaller authority must ensure that action is taken to address these areas of weakness in a timely manner. The AGAR was not accurately completed before submission for review. The AGAR has been amended”.
Additional comments:		

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	<i>Internal auditor commentary</i>

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.*

<i>Was the annual meeting held in accordance with legislation?</i> ²⁰	Yes	Council held its Annual Meeting of the Parish Council at which the Chair was elected on 22 nd May 2025 in accordance with legislation in place at that time.
<i>Is there evidence that Minutes are administered in accordance with legislation?</i> 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. Whilst council's minutes now have the insertion of page numbers, month and year, the minutes are not consecutively numbered. Recommendation: in accordance with legislation, looseleaf minutes should either have agenda items or pages that are consecutively numbered.
<i>Is there a list of members' interests held?</i>	Yes	A copy of the members' interests for all serving councillors was seen on the district council's website.
<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>Is there evidence that electronic files are backed up?</i>	Yes	It is assumed that the 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>	Yes	Council approved its Terms of Reference for the Highways, Planning and Finance Committees at the meeting of 22 nd May 2025.
Additional comments:		

Signed: Victoria Waples

Date of Internal Audit review: 05.04.26 - 07.04.26

Date of Internal Audit Report: 07.04.26

On behalf of Suffolk Association of Local Councils

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