

**ACTON BURNELL, FRODESLEY, PITCHFORD, RUCKLEY & LANGLEY PARISH
COUNCIL**

INTERNAL AUDIT REPORT FOR FINANCIAL YEAR 2025/6

INTRODUCTION

As the Council's internal auditor, I am appointed to independently carry out an examination of areas which meet the internal control objectives as listed on page 4, the Annual Internal Audit Report section, of the Annual Governance and Accounts Return (AGAR) for the year ended 31st March 2026. This involves testing the Council's compliance with the assertions on p.4 of the AGAR, referring to best practices as outlined in the SAPPP Practitioners' Guide 2025, published March 2025.

I carried out a mid-year audit in January 2026, focusing on assertions D, K, L, M and N. I have now carried out an internal audit of all areas listed on the AGAR IA report. I present my final report for your consideration.

I would like to thank Anna for her assistance.

Should you have any queries with this report please do not hesitate to get in touch.

DETAILED FINDINGS & RECOMMENDATIONS

A. Appropriate accounting records have been properly kept throughout the financial year?

The primary accounts record is in the form of an Excel Receipts and Payments cashbook. Accounting records were found to be accurate and provided an adequate audit trail. A sufficient analysis of accounting records existed within the cashbook, with items being categorised according to budget categories. The accounting statement provided as at 31/3/2026 corresponded with the cashbook.

Internal control objective met? YES

Recommendations: None.

B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for?

Standing Orders and Financial Regulations were reviewed in May 2025. The council has adopted the new model Standing Orders.

VAT was appropriately accounted for and recorded separately in the cashbook; a VAT reclaim for £86.39 had been made which matched the VAT spent in 2024-5.

Payments for the year - £11,654.74

A sample of 20 payments were tested to the cashbook, supporting invoices, bank statements, payroll documentation and council minutes.

The council's procedure is that one authoriser is needed for payments under £500 (the clerk) and 2 for payments over £500. This is in accordance with the council's Financial Regulations. Invoices are signed as evidence of being checked and payments are minuted, so council retains ultimate responsibility for authorisation.

Internal control objective met: YES

Recommendations: None

C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these?

The Risk Assessment is fit for purpose and adequate and was last reviewed in May 2025 and Health and Safety Policies in September 2025

Internal control objective met: YES

Recommendations: None.

D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate?

Budget monitoring

Budget was monitored mid-year and I reviewed the November 2025 monitoring report. An end of year monitoring report has also been produced.

2026/7 budget and precept

The 2026-7 budget was set by full Council on 20th January 2026 and resulted from a thorough process. The precept set is £7,758, which matches the minutes. Other sources of income include bank interest £250, VAT refund £128.98, Lightsource related income £20,104. Projected spend is £9,604 (general parish spend), and Lightsource spend £1,864.

Reserves

The budgeted general reserves projected to 2026/7 are £5,136,98. This sits at 53% of the planned general parish spend for 2026/7 and therefore within the range of 25 to 100% of general spend, meeting SAPPP guidelines.

Internal control objective met? YES

Recommendations: None.

E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.

Total receipts for the year were £20,759.25

In the council's main accounts, receipts totalled £9,452.60, comprising of a precept of £7,240, VAT reclaim £1,986.29, bank interest £226.31.

The council also has Lightsource Funds, a community benefit fund from solar farms in the parish. Receipts in relation to this total £20,759.25, comprising of Lightsource Funds £16,439.22, bank interest £4,233.64, VAT £86.39. I tested a sample of the receipts, and they were supported by documentation.

Internal control objective met? YES

Recommendations: None.

F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for?

No petty cash is held.

Internal control objective met? N/A

Recommendations: N/A

G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied

A pay award was recommended for clerks to take effect from 1st April 2025, and this was approved by the council in September 2025. The clerk works 7.5 hours per week from 1st April 2025. The gross annual salary pre-tax, and NI should be £5,889.55 for 2025-6. Employer NI of £133.10 was also due.

Pension re-enrolment deadline is 28th February 2026 and the council submitted its declaration before this date. The council does not meet the threshold at which it has to provide the clerk with a pension.

Internal control objective met: YES

Recommendations: None

H. Asset and investments registers were complete and accurate and properly maintained.

The Council's fixed asset register/inventory was examined, total asset value being £25,259. The register was updated to 31st March 2026, to be adopted in May 2026. There have been no purchases or disposals end year. I stated the asset sum incorrectly in my 2024-5 report and apologise for this; it was correct on the submitted accounts.

The Council's insurance policy, provided by Zurich runs from May to May, cover having been continuously in place. I have seen the policy schedule and confirm it is adequate for the value of the assets on the register.

Internal control objective met: YES

Recommendations: None.

I. Periodic and year-end bank account reconciliations were properly carried out.

I have reviewed the November 2025 bank reconciliation and found it to be accurate and recorded in the minutes.

I have also reviewed the end of year bank reconciliation and the reconciled balance is £115,779.54.

Internal control objective met? YES

Recommendations: None.

J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.

The AGAR, Statement of Accounts has been correctly compiled on a receipts and payments basis based on the cashbook, supported by underlying records such as invoices and remittance advice slips.

Internal control objective met? YES

Recommendations: None.

K. If the authority certified itself as exempt from a limited assurance review in 2024/5, it met the exemption criteria and correctly declared itself exempt?

Internal control objective met? N/A

Recommendations: N/A

L. The authority published the required information on a website/webpage, up to date at the time of the internal audit, in accordance with the relevant legislation?

Before 1st July, publish:

- The Annual Internal Audit Report (recommended but not mandatory);
- The Annual Governance Statement;
- The Accounting Statements;
- A declaration that the accounts are as yet unaudited;
- Details of the arrangements for the exercise of public rights;
- The name and address of the External Auditor.

Before 1st October, publish:

- Notice of the conclusion of the audit;
- The Annual Governance Statement (including any amendments as a result of the limited assurance review);
- The Accounting Statements (including any amendments as a result of the limited assurance review);
- The External Auditor Report and Certificate

I checked the website on 2nd January 2026 and the requirements had been complied with.

Internal control objective met? YES

Recommendations: None.

M. In the year covered by the AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations?

The authority published a notice of exercise of public rights on the website with the correct dates (site checked 2nd January 2026).

Internal control objective met: YES

Recommendations: None.

N. The authority has complied with the publication requirements for the 2024/5 AGAR?

Before 1st July, publish:

- The Annual Internal Audit Report (recommended but not mandatory);
- The Annual Governance Statement;
- The Accounting Statements;
- A declaration that the accounts are as yet unaudited;
- Details of the arrangements for the exercise of public rights;
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Before 1st October, publish:

- Notice of the conclusion of the audit;
- The Annual Governance Statement (including any amendments as a result of the limited assurance review);
- The Accounting Statements (including any amendments as a result of the limited assurance review);
- The External Auditor Report and Certificate

I checked the website on 2nd January 2026 and the requirements had been complied with.

Internal control objective met: YES

Recommendations: None.

O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance?

This is a new test for 2025/6 and it relates to Assertion 10 which is detailed in the SAPP guide, published March 2025.

In order to assess this assertion, I have considered the council's compliance with a number of areas. My overall conclusion is below and I have also commented in more detail on the sub-areas I considered.

Internal control objective met overall: YES

Overall, I conclude that assertion O has been met but would ask the council to review the recommendations below and in particular to act on point 3.

Recommendations: See below

Comments in detail:

1. **Email domain – at least the main contact email (usually the clerk's) must be owned by the council and link to a role as opposed to an individual's name (e.g. clerk@actonburnell-pc.gov.uk not anna@actonburnell-oc.gov.uk)**

The council's email domain is @actonburnell-pc.gov.uk and the clerk uses clerk@actonburnell-pc.gov.uk not

Compliance test met: YES

Recommendations: None.

2. Does the council have an IT policy?

The council has an IT policy adopted March 2026.

Compliance test met: YES

Recommendations: Review annually

3. All smaller authorities (excluding parish meetings) must meet legal requirements for all existing websites regardless of what domain is being used. Does the council have an accessibility statement and is it regularly updated? Does the council carry out accessibility testing?

The council has a website. All websites must meet the Web Content Accessibility Guidelines 2.2 AA and the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018 (where applicable). I cannot find confirmation the website meets WCAG 2.2. The council has an accessibility statement, but I have not seen evidence it has recently been updated. I note it refers to WCAG 2.1 and the current standard is WCAG 2.2. I have not seen evidence of accessibility testing being carried out on an ongoing basis.

Compliance test met: YES,

Recommendation:

- **Update accessibility statement and review regularly (annually)**
- **Ensure website is compliant to WCAG 2.2**
- **Put in place a regular testing regime (minimum annually recommended)**

4. Data protection

a) Data Protection - are regular data audits conducted to identify what personal data is held, how it is used and make sure it is processed lawfully?

The council has a personal data management and audit policy, with an audit last being done in May 2025.

Compliance test met: YES

Recommendation: Consider doing annual data audits.

b) Does the council have a Data Protection Policy on data handling, storage and sharing?

Yes, the council has the following policies

- General Privacy Notice
- Records Management Policy
- Privacy Policy
- Subject Access Policy
- Email Policy

- Personal Data Management and Audit Policy

Compliance test met: YES

Recommendation: Review annually.

- c) **Does the council provide regular training to ensure all staff and members are trained on data protection principles and practices?**

Councillors have considered data protection principles and practices in year as demonstrated by review of policies. Hence, they are aware of data related duties, but I have not seen training records.

Compliance test met: PARTIALLY.

Recommendation: Arrange training programme.

- d) **Does the council secure data using appropriate technical and organisational measures to protect personal data from breaches?**

This is covered by the IT policy and is referenced in the policies referred to under point b.

Compliance test met: YES

Recommendations: None.

- e) **FOI Publication Scheme – does the council have a publication scheme that confirms to the ICO model?**

The council adopted and published a publication scheme, which complies with the ICO model, in May 2025.

Compliance test met: YES

Recommendations: None.

- f) **Does the council meet the requirements of the Transparency Code?**

See detailed comments on assertion L.

Compliance test met: YES

Recommendations: None.

P. Trust funds (including charitable) – The council met its responsibilities as a trustee?

To the best of my knowledge, the Council does not act as a sole trustee for managing a Trust fund or asset.

Internal control objective met: N/A.

Recommendations: N/A.