

## **Report to Beyton Parish Council**

### **The Internal Audit of the Accounts for the year ending 31 March 2026**

#### **1. Introduction and Summary.**

1.1 The Internal Audit work undertaken confirmed that during the 2025/26 year the Council maintained effective governance arrangements including a robust framework of internal control and risk management. The Internal Audit review, undertaken on the documentation provided to the Internal Auditor and on the information published on the Council's website, has confirmed that the Council maintains an effective framework of financial administration and internal financial control. The Annual Governance and Accountability Return (AGAR) 2025/26 is, however, only in draft form and some items require attention prior to the agreement of the Internal Auditor and the approval of the Council.

1.2 By examination of the 2025/26 accounts and supporting documentation it was confirmed that the Clerk, in the role of the Council's RFO, is satisfactorily undertaking the administration of the Council's financial affairs and producing satisfactory financial management information to enable the Council to make well-informed decisions.

1.3 A Draft Section 2 of the Annual Governance and Accountability Return (AGAR) 2025/26 has been prepared by the Clerk/RFO but corrections were required in both the year 2025/26 and in the comparative year (2024/25) to arrive at a revised copy to be presented to the Council and the External Auditors.

1.4 The following Internal Audit work was carried out on the adequacy of systems of internal control in accordance with the agreed schedule of work. Comments and any recommendations arising from the review are made below.

#### **2. Governance, Standing Orders, Financial Regulations and other Regulatory matters (*examination of Standing Orders, Financial Regulations, Code of Conduct, Formal Policies and Procedures, Tenders where relevant. Acting within the legal framework, including Data Protection legislation*).**

2.1 The Annual Parish Council meeting took place on 6 May 2025. The first item of Parish Council business was the Election of a Chair, as required by the Local Government Act 1972.

2.2 As part of its overall governance arrangements, the Council has in place a Staffing Committee and at the meeting on 6 May 2025 the Council agreed Terms of Reference for that Committee. Councillors were also appointed to key 'officer' positions in the Council.

2.3 Standing Orders are in place and were reviewed and adopted by the Council at the meeting on 3 February 2026. During the course of the audit the copy approved by Council was added to the website.

2.4 Financial Regulations are in place and were also reviewed and adopted by the Council at the meeting on 3 February 2026. During the course of the audit the copy approved by Council was added to the website.

2.5 A Responsible Financial Officer (RFO) is in place, Claire Usher being in post since her appointment by the Council at the meeting on 1 October 2024.

2.6 An unsigned Draft Contract of Employment was presented to the Internal Auditor and displayed a commencement date of employment of 14 October 2024 with 8 working hours a week on salary scale LC2 with a starting point of SP 23 with automatic progress through LC2 each April subject to satisfactory performance; the first increment would be payable on 1 April 2025.

**The Contract of Employment for the Clerk/RFO should be confirmed and signed by both parties as soon as practicably possible.**

2.7 The Council's Minutes are well presented and provide clear evidence of the decisions taken by the Council in the year. Each page is numbered consecutively within each set of Minutes and signed/initialled by the Chair of the meeting at which the Minutes are approved.

2.8 The Council is registered with the Information Commissioner's Office (ICO) as a Fee Payer/Data Controller for the provision of council services under Data Protection legislation (Registration ZA193421 refers, expiring 19 July 2026).

2.9 To assist compliance with the General Data Protection Regulations (GDPR) the Council reviewed and adopted the following Policies and Procedures in the year 2025/26:

*Data Protection Policy*

*Document and Electronic Data Retention Policy*

*Data Breach*

2.10 To support meeting the requirements of the Freedom of Information (Fol) Act, the Council has in place the following documents:

Freedom of Information Scheme  
Guide to the Publication Scheme  
Freedom of Information Requests

2.11 The Data Protection and Fol documents have been published on the Council's webpage: <https://beyton.suffolk.cloud/beyton-parish-council/governance/>

2.12 The Council has adopted the Local Government Association (LGA) Model Councillor Code of Conduct, which details the requirements and responsibilities

placed upon each individual Councillor. The Code was reviewed and approved by the Council at the meeting on 6 May 2025. A copy of the Code has been published on the Council's website.

2.13 A Neighbourhood Plan (2023 – 2037) is in place and a copy has also been published on the Council's website.

2.14 The Clerk/RFO reported to Council on 6 January 2026 regarding the new Assertion 10 in the Annual Governance Statement (AGS) 2025/26. To fully meet Assertion 10 for the 2025/26 AGAR, a council must:

- a) Use a council-owned domain (The Council has the domain name of .gov.uk).
- b) The Council has an official email address for the Clerk ([parishclerk@beyton-pc.gov.uk](mailto:parishclerk@beyton-pc.gov.uk) is in place)
- c) Ensure the website is accessible to latest standard (The Council's website host tested against WCAG 2.2AA to ensure site compliance in November 2024).
- d) Adopt a formal IT Policy covering data protection and device usage (an IT Policy was approved by the Council at its meeting on 3 February 2026).

2.15 The Clerk/RFO has confirmed and provided evidence that the above requirements have been met. Overall, the Council has demonstrated proper governance of its digital presence and it is considered that the Council has taken sufficient action to be able to provide positive affirmation to Assertion 10 in the AGS.

### **3. Accounting Procedures and Proper Book-keeping (*examination of entries in the Cashbook, regular reconciliations, supporting vouchers, invoices and receipts and VAT accounting*).**

3.1 The Cashbook Spreadsheet is well referenced and facilitates an audit trail to the Bank Statements and the financial information prepared by the Clerk/RFO. A sample of transactions was examined with the supporting invoices and found to be in order.

3.2 The Clerk/RFO confirmed to the Internal Auditor that no payments were made in the year 2025/26 under the Local Government Act 1972 Section 137.

3.3 VAT payments are tracked and identified within the Accounts. Re-claims for the amounts of VAT paid are submitted to HMRC. The re-claim of £1,978,26 for VAT paid in the 2024/25 year was submitted on 4 April 2025, received at bank on 23 April 2025 and reported to Council on 6 May 2025. The re-claim of £2,094.30 for VAT paid in the 2025/26 year was submitted to HMRC on 9 April 2026.

3.4 The Clerk/RFO has constructed a Community Infrastructure Levy (CIL) Annual Report for the year ended 31 March 2026 which shows £13,061.86 brought forward at the end of the previous year (31 March 2025) with £12,212.32 Receipts and £6,787.25 Payments in the year 2025/26 as follows:

Public Noticeboards:	£1,208.27
VAS Digital Signs x 2:	£5,578.98

Accordingly, a balance of £18,486.93 is displayed as retained as at 31 March 2026 as a Restricted Reserve. The Annual Report has to be published on the Council's website and submitted to the District Council no later than 31 December 2026.

3.5 A Statement of Variances (explaining significant differences in receipts and payments between the years 2024/25 and 2025/26) has been prepared by the Clerk/RFO for submission to the External Auditors and for publication on the Council's website. The details within the Statement will need to be updated following the amendments to the Annual Governance Statement.

#### **4. Bank Reconciliation (*Regularly completed and cash books reconcile with bank statements*).**

4.1 Bank reconciliations are regularly presented to the Council by the Clerk/RFO and recorded in the Minutes of the Council meetings.

4.2 The bank statements for the Barclays Community (Current) Account (£27,717.42) and the Barclays Business Premium Account (£31,074.33) as at 31 March 2026 (a total of £58,791.75) reconciled with the End-of-Year accounts and Bank Reconciliation for all accounts.

#### **5. Year End procedures (*Regarding accounting procedures used and can be followed through from working papers to final documents. Verifying sample payments and income. Checking creditors and debtors where appropriate*).**

5.1 End of Year accounts are prepared on a Receipts and Payments basis. Sample audit trails were undertaken and were found to be in order.

#### **6. Policies, Procedures and Protocols**

6.1 The Council demonstrates good practice by maintaining a wide range of formal Policies and Procedures in addition to Data Protection and Freedom of Information Policies, including the following which were reviewed and approved during 2025/26:

*Reserves Policy*  
*Internet Banking Policy*  
*Equality Policy*  
*Disciplinary Policy*  
*Complaints Policy*  
*Co-option Policy*  
*Grievance Policy*  
*Sickness Absence Policy*  
*Health & Safety Policy*  
*Payment Procedure Policy*  
*Safeguarding Policy*  
*IT Policy*

6.2 Other Policies in place include:

*Vexatious Policy*  
*Meeting attendance Policy*  
*Filming Policy*

The Council's Policies have been published on the webpage:

<https://beyton.suffolk.cloud/beyton-parish-council/governance/>

## **7. Internal Control and the Management of Risk (Review by Council of the effectiveness of internal controls, including risk assessment, and Minuted accordingly).**

7.1 At its meeting on 6 May 2025 the Council reviewed and approved all Risk Assessment Policies including the Financial Risk Assessment (Minute 080525/31 refers). The individual risk assessments relate to:

- Volunteer
- Vehicle Activated Device
- Clerk
- Financial

7.2 The Council reviewed and agreed the Internal Control Policy and the Statement of Internal Control at its meeting on 6 January 2026 (Minute 060126/22 refers).

7.3 The Council accordingly complied with the Accounts and Audit Regulations 2015 which require a review by the full Council at least once a year of the effectiveness of the Council's system of internal control, including the arrangements for the management of risk, with the review suitably Minuted.

7.4. One of the most significant risks for many smaller local councils relates to play equipment. In this respect, the Council receives regular reports upon playground issues, including reports on visual inspections and any subsequent action taken by the Council.

7.5 Annual Play Inspections are arranged by Mid Suffolk District Council (MSDC) (payment of £75.40 made on 7 October 2025).

7.6 Insurance was in place for the year of account. At the meeting on 2 June 2025 the Council agreed the renewal of insurance cover with Ansvar through Community Action Suffolk at a cost of £729.32. The period of cover is 16 June 2025 to 15 June 2026. Public Liability and Employers' Liability cover stands at £10m. The Fidelity Guarantee (Councillor/ Employee dishonesty) cover of £100,000 meets the current recommended guidelines which provide that the cover should be at least the sum of the year-end balances plus 50% of the precept/grants.

**8. Budgetary controls (Verification of the budgetary process with reference to Council Minutes and supporting documents).**

Precept 2025/26: £23,824.55 (7 January 2025, Minute 070125/30 refers).

Precept 2026/27: £24,301.03 (6 January 2026, Minute 060126/20 refers).

8.1 The Clerk/RFO presented a first draft budget for 2025/26 at the meeting of the Council on 4 November 2024. The budget was agreed in principle with updated figures and final approval to be considered in January 2025. Updated budget figures for 2025/26 were presented to Council on 7 January 2025. The Council agreed to set a Budget of £23,824.55 and a Precept for that amount.

8.2 The Clerk/RFO presented a first draft budget for 2026/27 at the meeting of the Council on 4 November 2025. The budget was again considered and agreed by the Council on 6 January 2026 when the Council resolved to set the precept for the financial year 2026/27 at £24,301.03, an increase of 3% from the previous year.

8.3 The Precepts were agreed in Full Council and the precept decision and amount have been clearly Minuted.

8.4 Good budgetary procedures are in place. During the year 2025/26 the Council received reports of actual spending against the budget. The estimates for 2025/26 were used effectively for financial control and budgetary control purposes.

8.5 The Clerk/RFO ensures that the Council is aware of its responsibilities and commitments and the need for forward planning and adequate reserves. Budget papers are prepared to ensure Councillors have sufficient information to make informed decisions.

8.6 The Clerk/RFO provides to the Council with details of the Earmarked Reserves held to ensure that Councillors are fully apprised on the amounts applied to each project identified.

8.7 Similarly, the Clerk/RFO keeps the Council advised of the level of general reserves in relation to the precept.

8.8 The Overall Reserves available to the Council at the year-end 31 March 2026 were £58,791.75, of which £18,486.93 is CIL Restricted Funds. In addition, the Clerk/RFO has advised the Internal Auditor that £19,891.59 is recorded as Earmarked Reserves.

8.9 The General Reserves (Overall Reserves less Earmarked/Restricted Reserves) are accordingly £20,413.23 (84% or 10 months equivalent of the 2026/27 Precept) and are in line with the generally accepted position that non-earmarked revenue reserves should usually be between three and twelve months of Net Revenue Expenditure/Precept (the SAPP Proper Practices Guide, Item 5.34 refers).

8.10 As at the 31 March 2026, the Council maintained sufficient overall reserves and contingency sums to meet, within reason, any unforeseen items of expense that may occur.

**9. Income Controls (regarding sums received from Precept, Grants, Loans and other income).**

9.1 Receipts are reported to the Council by the Clerk/RFO and recorded in the Minutes of Council meetings. The Receipts of £39,198.29 recorded in the Cashbook Spreadsheet consisted of Precept (£23,824.56), CIL Receipts (£12,212.32), Grants (£800), VAT recovered from HMRC (£1,978.26), Bank Interest (£372.88) and Miscellaneous (£10.27).

**10. Petty Cash (Associated books and established system in place).**

10.1 No Petty Cash is held. An expenses system is in place with on-line banking payments being made during the year for expenses incurred.

**11. Payroll Controls (PAYE and NIC in place; compliant with HMRC procedures; records relating to contracts of employment).**

11.1 The Council's Payroll is being operated in-house in accordance with HMRC regulations. Detailed pay slips are produced. The P60 End of Year Certificate for the Clerk/RFO was presented to the Internal Auditor for examination.

**11.2. The External Auditors raised some salary payment issues in 2024/25 regarding accounting for payroll (and entries in the AGAR are having to be restated as a result). It may be of benefit to the Council in future to use the Suffolk Association of Local Councils (SALC) as Payroll Service Provider. SALC provides an efficient payroll service at a reasonable cost.**

11.3 At the meeting on 1 October 2024 the Council resolved to offer the position of Clerk/RFO to Claire Usher with a commencement date of 14 October 2024 with 8 working hours a week on salary scale LC2 with a starting point of SP 23. The first increment would be payable on 1 April 2025.

11.4 With regard to the legislation relating to workplace pensions, at the meeting on 6 June 2023 the Clerk/RFO confirmed to the Council that the redeclaration of compliance had been submitted to the Pensions Regulator in accordance with the Pensions Act 2008 (The re-declaration of compliance confirms to The Pensions Regulator that the Council complies with its duties as an employer and has to be completed every three years).

**12. Assets Controls (*Inspection of asset register and checks on existence of assets; recording of fixed asset valuations; cross checking on insurance cover*).**

12.1 A comprehensive Asset Register is in place.

12.2 The Register records the original purchase cost, where known. The value of £56,009.98 as at 31 March 2026 is a net increase of £6,406 over the £49,603.98 value at the end of the previous year (31 March 2025). The Clerk/RFO has confirmed the additions and disposals in the year.

12.3 The Register complies with the current requirements which provide that each asset should be displayed at a consistent value, year-on-year. The value has been correctly entered into Box 9 of Section 2 of the AGAR.

12.4 The Asset Register includes a column that lists the insurance cover for each relevant asset and identifies, for insurance valuation purposes, any asset that is low in value or not at risk.

**13. Internal Financial Controls, Payments Controls and Audit Procedures (*Confirmation that the Council has satisfactory internal financial controls in place for making payments with adequate documentation to support/evidence payments made. Identifying VAT payments and re-claims. Any previous audit recommendations implemented*).**

13.1 The Clerk/RFO provides the Council with monthly Finance Reports which are considered and approved by the Council at each meeting. Bank balances are routinely reported to Councillors, who are provided with information to enable them to make informed decisions.

13.2 Payments and receipts are listed in the Council's Minutes as part of the overall financial control framework.

13.3 Internet Banking is in place. The bank mandate in place provides administration access for the Clerk/RFO under the internet banking arrangements. A Schedule of Payments is circulated by the Clerk/RFO to Councillors prior to Council meetings to enable the Council to approve the payments to be paid by internet banking through the approved authorising processes (the Clerk/RFO to initiate the payment and a Councillor to authorise on-line).

13.4 The Internal Audit report for the previous year (2024/25) was received and accepted by the Council at its meeting on 3 June 2025. The Report put forward two recommendations:

***R1: The Contract of Employment for the Clerk/RFO should be confirmed and signed by both parties as soon as practicably possible.***

**Update as at 29 April 2026:** This issue remains outstanding.

**R2:** *The Council should advise the Information Commissioner's Office (ICO) of the current contact address in order that any data protection enquiries are routed correctly to the Council.*

**Update as at 29 April 2026.** The Council's contact address is now correctly listed by the Information Commissioner's Office and can be viewed at webpage:

<https://ico.org.uk/ESDWebPages/Entry/ZA193421>

#### **14. External Audit (Recommendations put forward/comments made following the annual review).**

14.1 The External Audit Report for the year 2024/25 was dated 28 September 2025 and was received by the Council at its meeting on 7 October 2025.

14.2 An External Audit Intermediate Review is required for the year 2025/26 as the higher of gross income or gross expenditure exceeded £25,000 in the year of account.

#### **15. Publication Requirements.**

15.1 Under the Accounts and Audit Regulations 2015 authorities must publish each year the following information on a publicly accessible website (by 1 July each year):

##### *Notice of the period for the exercise of Public Rights*

At its meeting on 3 June 2025 the Council agreed that the period for the exercise of public rights would commence on 3 June 2025 and end on 14 July 2025. The Regulations provide that the Notice must be published at least one day before the date of commencement of the public rights. However, the form was issued on the same day as the date of commencement of the public rights. The Notice was not published on the Council's website until the 4 June 2025, after the beginning of the public rights.

##### *AGAR - Sections 1 and 2.*

These have to be displayed before the 1 July each year and were published on 4 June 2025.

15.2 Following the completion of the External Audit (by 30 September each year):

##### *Notice of Conclusion of Audit*

##### *AGAR - Section 3*

*AGAR - Sections 1 and 2 (including any amendments as a result of the Limited Assurance Review).*

## Internal Audit for Beyton Parish Council 2025/26

The Conclusion of Audit was dated 30 September 2025 but was not published on the Council's website until 9 October 2025. It is noted that the External Auditor's Report and Certificate was not produced until 28 September.

**The AGAR – Section 3: External Audit Report and Certificate 2024/25 had not been published at the time the Internal Audit commenced but has since been published on the website.**

The Documents available are published on the Council's webpage:

<https://beyton.suffolk.cloud/beyton-parish-council/finance/>

### **16. Additional Comments.**

16.1 I would like to record my appreciation to the Clerk/RFO for her assistance during the course of the audit work.

*Trevor Brown*

**Trevor Brown**

**Chartered Institute of Public Finance and Accountancy**

**Internal Auditor**

**1 May 2026**