

INTERNAL AUDIT

Outlined below is an overview of the 10 Assertions within the Practitioners Guide 2025. Each of these are dealt with under the relevant Governance sections contained in Section 1 of the AGAR:

AGS Assertion 1 — Financial management and preparation of accounts

- Accounting Records and supporting documents:
- Bank reconciliation:
- Budget setting:
- Investments:
- Reserves:
- General Reserves:
- Earmarked and other reserves:

AGS Assertion 2 — Internal control

- Standing Orders and Financial Regulations:
- Safe and efficient arrangements to safeguard public money:
- Employment:
- VAT
- Fixed assets and equipment:
- Loans and long-term liabilities:

AGS Assertion 3 — Compliance with laws, regulations and proper practices

- Acting with its powers:

AGS Assertion 4 — Exercise of public rights

AGS Assertion 5 — Risk management

AGS Assertion 6 — Internal audit

AGS Assertion 7 — Reports from auditors

AGS Assertion 8 — Significant events

AGS Assertion 9 — Trust funds (local councils only)

AGS Assertion 10 — Digital and data compliance

The following headings are based on Section 1 – Annual Governance Statement.

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

The Parish Clerk has been appointed as the RFO (LGA1972 s151). **Recommend that this information is included on the website**

The roll over figure is £28,223 (Box 7).

The Council maintains its accounts on a spreadsheet. A sample of the financial transactions between 1st April and 31st March 2026 has been undertaken. The following checks were carried out:

- A review of the cashbook against the bank statements and invoices paid;
- A sample of Payments have been checked against the bank statements to verify accuracy;
- Expenditure incurred is appropriate.

There is a proper process in place to ensure that financial information is correctly recorded and reported to Council as part of its governance procedures.

All invoices are reviewed by the Parish Clerk. Clerk has delegated authority to pay invoices and some are presented to Council for approval. A list of invoices is presented to Full Council for payment as part of the agenda and uploaded onto the website. Approvals are minuted in the Council minutes. Payment is via online banking. Finance papers are approved and signed off by two members of the Council.

The Council has a Risk Assessment in place which was reviewed on 1st May 2025. ([Risk-Management-last-reviewed-May-2025.pdf](#))

The Clerk/RFO is responsible for all financial transactions which are ratified or authorised by Full Council for payment.

Financial quarterly reviews are undertaken and the report uploaded onto the website. In addition, the monthly cashbook is also uploaded onto the website. The Quarterly Financial Report includes budget monitoring and bank reconciliations. The Financial Report is ratified by Council.

The year end bank reconciliation has been completed. This was referenced back to the bank statements. The final balance held by the Council amounts to £26,037.28 as at 31st March 2026

The Council has met this control objective.

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

Tenders and Contracts are governed by Financial Regulations. All contracts being tendered should be published on the Parish Council's website as well as the Find a Tender portal where required.

Please note that Contracts Finder has now been replaced by Find a Tender so all contract information should be publicised on this portal where required. ([Find a Tender](#))

Standing Orders were updated on 5th June 2025 and are based on the latest NALC template.

Financial Regulations were updated on 8th January 2026 and are based on the latest NALC template.

The limits between the two documents match.

Financial recording and reporting procedure:

- The Council uses a spreadsheet to manage its accounts;
- Invoices are received and reviewed for accuracy by the Clerk/RFO. They are inputted onto the spreadsheet and reports are generated to create an audit and approval trail;
- The RFO sets up the payment of invoices and they are authorised for payment via online banking.

There is appropriate segregation in place.

VAT is normally claimed annually. The claim for 2024/25 of £1,327.16 was received and reported in the May accounts. The 2025/26 VAT claim is in the process of being submitted.

The Council does not have a debit card in place.

The Council does not currently have General Power of Competence in place.

The Council has met this control objective.

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

An Asset Register is in place. A copy of the updated Asset Register has been reviewed. It clearly states new assets purchased, assets that have been disposed of and in the case of the community centre an insurance value.

The Council is insured with Zurich. Policy Number YLL-2720844453. It runs from 1st June 2025 to 31st May 2026. A Fidelity Guarantee of £50,000 is included.

A review of the insurance cover and the asset register has been undertaken. Council is adequately insured.

The Council is not responsible for any play areas but does carry out grass maintenance in the village and supports the flower displays.

The Council has adequate internal controls in place to ensure that it carries out its day-to-day business effectively and efficiently.

The Council has met this control objective.

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

At its meeting held on 9th January 2025 Full Council formally approved the budget and the setting of a precept. (Minute 25/08.b)

25-08 Finance

a. To review and approve the budget for 2025/26. Proposed by Cllr Armstrong, seconded by Cllr Parrett the budget was approved.

b. To set the Precept for 2025/26. Proposed by Cllr Jarvis, seconded by Cllr Parrett a 3% increase was agreed for the 2025/26 precept giving a £1.27 p.a. increase on a Band D property. The Clerk would submit the precept requirement of £18,306.

It has been confirmed that a precept of £18,306 was requested. (MHCLG Parish Code E3036P015)

Budget monitoring is undertaken on a quarterly basis as part of the quarterly financial report and is presented to Council. A copy is uploaded onto the website.

The Council currently does not have any official Earmarked Reserves in place although it does have CIL income in place which is ringfenced and a separate Burial bank account. **Recommend that Council develops and adopts Earmarked Reserves and reviews them at least annually.**

The Council has an adequate General Reserve to meet the requirements in place with a recommendation that specific allocated EMRs be put in place.

The Council had the following Bank Statement Balances as at 31st March 2026:

ACCOUNT	AMOUNT
NatWest Current A/C	£2,009.46
Deposit A/C	£11,555.29
Burial A/C	£12,472.53
TOTAL	£26,037.28

The Council has met this control objective.

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

The Council has no aged debtors.

The Council manages an allotment site. A review of the tenancy agreement has been undertaken. A separate rent record is maintained and has been reviewed.

The Council is not a burial authority.

The Council does not hire out any venues but leases the community centre to the Coddington Community Association.

The Council has two leases in place related to the Community Centre as outlined above and the allotments, which the Council leases from Newark and Sherwood District Council.

Council's other income for 2025/26 included bank interest, newsletter income, grass cutting allowance, CIL funding and a refund.

The Council has met this control objective.

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

The Council does not operate a petty cash system and did not receive any cash payments during the financial year.

The Council has met this control objective.

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.

The Clerk has a contract in place and it is based on the SLCC/NALC template. The Maintenance Operative has a basic contract of employment in place which is sufficient.

Members do not receive a members' allowance.

A sample of staff salaries has been checked and confirmed that gross pay is calculated based on the appropriate pay scale. A sample of salaries paid during the year have been reviewed.

Tax codes are applied and included on the payslips and deductions properly calculated.

Payroll is undertaken inhouse using the HMRC software.

The Clerk is not a member of a pension fund.

A test sample was undertaken and it was confirmed that the correct net pay was paid to the employee with tax and NI contributions correctly deducted and paid to the respective agencies.

The Council has met this control objective.

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

An Asset Register is in place and has been reviewed. Asset purchase cost is recorded and additional information is included where appropriate. Additions and disposals have been included on the updated Asset Register.

The asset value reported in the AGAR at section 2, line 9 of £14,092 is correct.

A comparison of the insurance schedule against the asset register has been undertaken. Council has adequate insurance cover in place.

Council has no long-term investments in place.

Council has no loans in place.

The Council has met this control objective.

I. Periodic bank account reconciliations were properly carried out during the year.

Bank reconciliations are prepared quarterly and are signed off at Full Council. Copies of the bank reconciliations are uploaded onto the Council website.

The Council has met this control objective.

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.

Accounts are maintained on a receipts and payments basis. Appropriate accounting arrangements are in place.

The Council has met this control objective.

K. If the authority certified itself as exempt from a limited assurance review in 2024/25, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2024/25 AGAR tick “not covered”).

Not covered.

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.

The following information should be published on the Parish Council’s website under the Smaller Authorities Transparency Code ([SI/SR Template](#))

Expenditure exceeding £100

Local authorities must publish details of each individual item of expenditure that exceeds £100. [Published](#)

End of year accounts

Annual publication no later than 1 July in the year immediately following the accounting year to which it relates. [Published](#)

Annual governance statement

Annual publication no later than 1 July in the year immediately following the accounting year to which it relates. [Published](#)

Internal audit report

Annual publication no later than 1 July in the year immediately following the accounting year to which it relates. [Published](#)

List of councillor or member responsibilities

Annual publication of councillor or member responsibilities no later than 1 July in the year immediately following the accounting year to which it relates. [Published](#)

Location of public land and building assets

Annual publication no later than 1 July in the year immediately following the accounting year to which it relates. Parish councils and port health authorities to publish details of all public land and building assets – either in its full asset and liabilities register or as an edited version. [Published \(asset register\)](#)

Minutes, agendas and papers of formal meetings

Publication of draft minutes from all formal meetings not later than one month after the meeting has taken place. Publication of meeting agendas and associated meeting papers not later than three clear days before the meeting to which they relate is taking place. [Published](#)

The Council has met this control objective.

M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (*during the 2025/26 AGAR period, were public rights in relation to the 2024-25 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set*).

The publication relating to the Public Notice requirements were met. The Notice states 3rd June to 14th July 2025. This meets the statutory 30 day requirement.

The Council formally minute the dates of the public notice at the meeting where the AGAR was approved on 1st May 2025. (Minute 25/52.f)

The Council has met this control objective.

N. The authority has complied with the publication requirements for 2024/25 AGAR.

Publication Requirements Under the Accounts and Audit Regulations 2015, Authorities must publish the following information on the authority website/webpage: Before 1 July 2025 authorities must publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited: [Published](#)
- Section 1 - Annual Governance Statement 2024/25, approved and signed, page 4: [Published](#)
- Section 2 - Accounting Statements 2024/25, approved and signed, page 5: [Published](#)

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report.

[Published](#).

The Council has met this control objective.

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

Council has a .org.uk email addresses for its Clerk/RFO. Councillors are also provided with a .org.uk email address which are published on the website. Council meets best practice advice by having a .org.uk domain for its website and email account.

The Council has adopted an IT policy as required. ([Information-Technology-Policy.pdf](#))

The Council has an Accessibility Statement published on its website. ([Accessibility Statement – Coddington Parish Council](#))

Note that since September 2020, all parish and Parish councils must have a website that complies with Website Content Accessibility Guidelines (WCAG). As from October 2024 that rating level changed from WCAG2.1 AA to WCAG2.2AA so that it meets Accessibility Guidelines as set in the Public Sector Bodies Accessibility regulations.

It has been confirmed that Coddington Parish Council website complies with WCAG 2.2 AA. It achieved 80%: [Scan Results — CompliaScan](#)

Recommend that Council contacts its web provider to ensure it improves the above assessment.

Data Protection requirements:

- Data Protection Officer – Parish Clerk
- Data Audit:
- Training for staff and Councillors:
- Data Protection Policy: In place [Data-Protection-Policy.pdf](#)
- Data Retention Policy: In place [Retention-and-Disposal-Policy.pdf](#)
- Secure data to protect it from Data Breaches:

Council will need to ensure that the following requirements are met (Noted that this is currently being actioned):

- Appoint a Data Protection Officer officially
- Undertake a data audit and present to Council for adoption
- Adopt a Data Breach Procedure
- Adopt a Subject Access Request procedure
- Organise GDPR training for staff and councillors;
- Ensure that both hard copy and electronic data have relevant protections in place. For hard copy records this will be identified by the audit. For electronic data it is recommended that your IT provider outlines what protections are in place, how often data is backed up and how it is stored. Ensure that all computers have some level of virus protection.

A Freedom of Information Policy is in place:

A Publication scheme is in place: [Parish and Community Council MPS template guide V2 20140612 final](#)

The Council meets the Smaller Councils Transparency Code as required.

The Council has met this control objective.

P. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.

The Council is not a sole trustee.