

Report to Horham and Athelington Parish Council Internal Audit of the Accounts for the Year Ending 31st March 2026

The primary objective of Internal Audit is to independently review, appraise and provide assurance upon the control environment, making sure that controls are mitigating the Council from increased risk exposure, and to achieve this, the internal auditor will adopt a predominantly systems-based approach to audit.

The Accounts for the year ending 31st March 2026 can be summarized as follows:

Income for the year:	£25,968.80
Expenditure for the year:	£8,387.37
Precept figure:	£3,300.00
General Reserves:	£320.75
Earmarked Reserve:	£26,946.36

The following Internal Audit work was carried out on the adequacy of systems of internal control in accordance with the scope previously approved by the Council with particular emphasis upon the following:

- Review and assess the soundness, adequacy, effectiveness and reliability of financial and performance management systems
- Review and assess the efficiency and effectiveness of internal control arrangements and working practices and make recommendations to improve these where appropriate
- Review and assess the adequacy of procedures to ensure the Council's assets and interests are adequately protected and risks are identified and effectively managed
- Check for compliance with legislation and the Council's integrity and ethical standards, policies and procedures

Summary	
<p>The Internal Auditor offers her appreciation for the assistance given by the Clerk in the completing of this audit.</p> <p>The internal audit review has provided evidence of the overall adequacy of the financial arrangements in place within the council. The examination of the year-end accounts and supporting documentation has further confirmed that the Clerk acting as Responsible Financial Officer has undertaken the administration of the Council’s financial affairs in a sufficient manner to ensure that standards are being met that the provision of financial management information has enabled the Council to make well-informed decisions. The Internal Audit for the year 2025-2026 confirms the continuing progress being achieved by the Clerk to assist the Council recover from the challenges experienced by the Council prior to her appointment and the council is now able to demonstrate that it is working towards achieving a high standard of governance, financial management and control.</p> <p>Recommendations made and/or commentary provided are to enhance the governance systems in place as opposed to detract from the positive assurance that can be given as to the manner in which the council’s finances are being managed.</p> <p><i>For further information and for the year effective 1st April 2026 please refer to Governance and Accountability for Smaller Authorities in England - A Practitioners' Guide to Proper Practices to be applied in the preparation of statutory annual accounts and governance statements - March 2026.</i></p>	

Internal Audit Review - tests carried out	Comments/Recommendations arising from the internal audit review
<p>1. Accounting Records. Examination of</p> <ul style="list-style-type: none"> • Accounting system • Cashbook • Reconciliations of cashbook 	<p>The Council continues with its use of an excel spreadsheet which contains daily entries of income and expenditure with details as to how they relate to the overall financial position of the council. Clear financial management information is now provided to the Council on a monthly and annual basis.</p> <p>The roll forward of the previous year was verified as being that which has been used for the opening cashbook balance of the new financial year. A sample of cashbook transactions were reviewed, and all were found to be correct. The cash books are reconciled on a regular basis.</p> <p>Councils has chosen to report its finances on a Receipts and Payments basis and the manner in which the financial records are kept allows for tracking of the council’s liabilities.</p>
<p>2. Preparation of Accounts: Payment Controls Examination of:</p> <ul style="list-style-type: none"> • Cash book entry • Supporting paperwork • Minuted approval • Review of method of payment • VAT identified, reported and reclaimed • Review of estimates, quotes and tenders 	<p>A selection of random payments was cross checked against cash book, bank statement and invoices and all were found to be recorded/ authorised in accordance with Proper Practices. The Clerk ensures that there is clarity in the management of the process for payments that are awaiting authorisation. This has allowed payments to be fully validated and interrogated as to whether the payment is in line with prior approvals and/or budgetary constraints.</p> <p>The Clerk has implemented a system whereby Council follows good practice by ensuring that,</p>

- **Power to Pay**

upon receipt of invoices, verification that the relevant goods or services have been received is obtained and invoices checked to ensure that the arithmetic is correct, agreed discounts have been deducted and everything is acceptable regarding reclaiming the VAT.

Council, in accordance with best practice, continues with a two-tier security system for payment approvals. The system ensures that the instructions for each payment are signed by two authorised bank signatories following submission of invoices by the Responsible Financial Officer (RFO).

Comment: This not only protects the RFO but continues to fulfil an internal control objective to ensure the safeguarding of public money.

As outlined in the interim internal audit report, VAT is now identified in the cash book and will be reclaimed on an annual basis. The VAT Assessment Files as produced by the Clerk was reviewed and verified with evidence of the claim for the period 1 March 2022 to 31 January 2026 in the sum of £677.85 being settled on 18th February 2026. The claim for the month of February in the sum of £214.91 was settled on 10th March 2026.

The Internal Auditor undertook sample tests to ensure that the VAT element within payments is being clearly identified and appropriately accounted for within the accounting system. For the period under review, the RFO has ensured that VAT has been appropriately identified in relation and correctly applied to the council's business and non-business activities.

Comment: the Clerk has implemented procedures to ensure 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).

There were no significant contracts placed during the year under review.

All payments for approval are referenced with a description as to the expenditure and references in the cashbook to the Power to Spend to underline the legislative framework in which the council operates.

The cashbook allows for details of payments made under s137 to be clearly referenced in the cashbook and the Clerk ensures that payments made are in accordance with the budget set with reference to the statutory limit for such expenditure. There were no payments made under this power for the year under review.

	Council has no outstanding public works loans.
<p>3. Compliance with laws, regulations and proper practices. Examination of:</p> <ul style="list-style-type: none"> • Standing Orders and Financial Regulations • Compliance • Annual Review • Adherence <p>Appointment of Responsible Financial Officer</p>	<p>The Standing Orders, as seen on the Parish Council's website (https://horhamandathelington.onesuffolk.net/council-notices/governance-documents/) were adopted at the meeting of 17th June 2025 and are based on the model published by the National Association of Local Councils (2022). Whilst Council shows awareness of the requirement to ensure that its Standing Orders are fully tailored to the council and that in accordance with proper practices, they are regularly reviewed, it should seek to ensure that they are fit for purpose and contain up-to-date provisions.</p> <p>Recommendation: at the next annual review, Council should adopt the updated Model Standing Order (England) section 18 as produced in 2025 to ensure that they contain new procurement legislation and ensure consistency with the Model Financial Regulations. The changes were to Standing Orders 14 and 18.</p> <p>Financial Regulations (FR), as seen on the Council's website (https://horhamandathelington.onesuffolk.net/council-notices/governance-documents/) were reviewed at the meeting of 17th June 2025 and are based on the NALC Model Financial Regulations 2019 with provisions included as outlined under LTN 87 - Procurement – March 2022.</p> <p>Recommendation: council should seek to adopt the latest Model Financial Regulations as published on 13th March 2025 at its next annual review to ensure council is compliant with the latest regulations relating to Procurement.</p> <p>At the next review, Council should ensure that the regulations are fully tailored to the parish council by completing the areas within the curly brackets which indicate words, sentences or sections that can be removed if not applicable or amended to fit the council's circumstances.</p> <p>The Council, in accordance with proper practices and with reference to section 151 of the Local Government Act 1972, has employed a Responsible Financial Officer (RFO) who is responsible for the financial administration of the authority. Council's own Financial Regulation 1.8 confirms that the Clerk has been appointed as the RFO for this council and that the regulations will apply accordingly.</p>
<p>4. Risk Management. Evidence of financial risk management</p> <ul style="list-style-type: none"> • Review of risks associated with <ul style="list-style-type: none"> ➤ Financial Management ➤ Governance ➤ Building/ Assets • Annual Review and Minuted • Insurance in place <ul style="list-style-type: none"> ➤ Adequate 	<p>Whilst council is aware that its risk assessment needs to focus on the safety of the parish council's assets and in particular its money, there is no formal minute to reflect that council has assessed the risk and addressed those identified by mitigating or managing them. Generally, 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. Council continues to ensure that it acts within the sphere of the internal controls as adopted, and is able to demonstrate that in accordance with Proper Practices and with reference to the Accounts and Audit Regulations 2015, it has in place safe and efficient arrangements to safeguard public money and that a regular review of the safety</p>

<ul style="list-style-type: none"> ➤ Reviewed • Fidelity Guarantee Cover Insurance <ul style="list-style-type: none"> ➤ Adequate ➤ Reviewed • Internal Controls documented and regularly reviewed 	<p>of the parish council's assets and in particular its money, as part of the methodical manner in which Council addresses the risks associated with the activities and services it provides. <i>Comment: whilst council has ensured that it identifies and assesses both the financial and operation risks of the council, this should be formally recorded and should include controls/mitigation and be reported to and considered by the parish council annually.</i></p> <p>Insurance was in place for the year August 2024 to July 2025. However, it appears that the renewal documentation commencing 23rd July 2025 was initially taken out and then cancelled resulting in council having no insurance in place from August 2025 to October 2025. This was rectified in November 2025 with appropriate insurance taken out with Zurich Municipal under a Select for Local Councils Policy. Core cover shows the following: Public Liability £15,000,000; Employer's Liability £10,000,000 and Fidelity Guarantee Cover is £250,000 which is above 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. <i>Comment: Fidelity Guarantee cover at £250,000 is in accordance with guidance, which provides that the cover should be at least the sum of the year-end balances plus 50% of the precept/grants to be received in the following April/May. Council has ensured that balances and cash flow are monitored to ensure that cover is appropriate as balances increase.</i></p> <p>All risk cover is in place for items listed under generic headings for those located within the boundaries of Horham and Athelington. <i>Comment: in accordance with Proper Practices, Council has identified its key risks and taken steps to manage them in a way which it can justify to a level which is tolerable by transferring the risk and buying in services from specialist external bodies and taking out insurance. Overall Council has understood the requirement to have in place safe and efficient arrangements to safeguard public money.</i></p> <p>Council formally reviewed its Internal Controls during the year under which were formally approved by full Council at its meeting of 14th April 2026. A review of the internal controls adopted provides confirmation that the specific control procedures for payments by bank transfer or other electronic means are in place and being used and that Council continues to have in place an adequate process to protect the Council against payment of invoices which may show fraudulent bank account details. Such a review continues to demonstrate that Council has taken steps to continue with the process that was in place during previous years which enables it to identify, assess and record the control mechanisms in place to ensure that all reasonable steps are taken to safeguard and protect public finances. <i>Comment: Council has ensured conformity with the requirements of Regulation 6 of the Accounts</i></p>
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	<p><i>and Audit Regulations 2015 and formally reviewed the effectiveness of its system of internal control.</i></p> <p>Overall, a scan of the minutes did not give rise to any unusual financial activity and there were no actions of a potentially unlawful nature being considered.</p>
<p>5. Budgetary controls. Examination of:</p> <ul style="list-style-type: none"> • Verification of process of setting of budget • Monitoring of budget • Reserves 	<p>The retrospective budget for the year 2025 - 2026 was submitted to and approved at the Council meeting of 19th February 2026. The background papers demonstrate the reasoning for variations to both the budget and the precept and the use of known income streams. The minutes of the same meeting demonstrate that council also received a forecast for the years 2026-2027 and 2027-2028. The approved forecast for the year 2026-2027 shows committed expenditure of £6,770 to be funded from the precept and known income streams (recycling credit).</p> <p>Latterly, and moving forward into the new financial year, there are regular reviews of the current year's budget versus actual expenditure including aggregate income and expenditure. Such reports provide clarity on the day-to-day functioning of the revenue budgets along with transactions to/from Earmarked Reserves allowing for an understanding of the use of the annual precept funds and existing CIL funds in the context of the Council's overall budget assessment process. The interim report clarifies that the budget monitoring exercise for the period April 2025 to January 2026 was presented to and considered by full Council at its meeting of 19th February 2026.</p> <p><i>Comment: council is aware that the monitoring of the budget throughout the year is one of the recommended key stages * as to the process to be followed during the year.</i></p> <p>* key stages as to the budgetary process to be followed for the year:</p> <ul style="list-style-type: none"> • decide the form and level of detail of the budget; • review the current year budget and spending; • determine the cost of spending plans; • assess levels of income; • bring together spending and income plans; • provide for contingencies and consider the need for reserves; • approve the budget; • confirm the precept or rates and special levies; and • review progress against the budget regularly throughout the year. <p>The Council on 31st March 2026 had overall reserves totalling £27,267.11 with Earmarked Reserves being £26,946.36 and General Reserves standing at £320.75. The RFO is aware that Proper Practices states that it is regarded as acceptable for a council's general (non-earmarked revenue) reserves to be maintained at between three and twelve months of Net Revenue</p>

	<p>Expenditure. Council's general reserves at under £500 are considered to be low and the Clerk is seeking to regularise this position of the coming years and has provided the council with appropriate forecast mechanisms to achieve this balance.</p> <p><i>Comment: whilst council might be able, in extreme circumstances to draw down from its earmarked reserves to provide short-term resources, if general reserves were exhausted due to major unforeseen spending pressures within a particular financial year, the Council is advised to review its level of general reserves and seek to adopt a level equal to 3 months of NRE.</i></p>
<p>6. Income controls.</p> <p>Examination of:</p> <ul style="list-style-type: none"> • Precept • Other income • Community Infrastructure Levy (CIL) 	<p>Council received the precept sum of £3,300 from Mid Suffolk District Council for the period under review in April 2025. The financial report submitted to full Council at the meeting of 19th February 2026 includes confirmation of the receipt to the council of the above funds being received into the council's nominated bank account.</p> <p>Clarification was given at the meeting of 19th February that the precept to be levied for the year 2026-2027 would be £6,030 which would give a Band D Dwelling a council tax of £37.43 which was an increase of 73.13% on that set for the last year.</p> <p>Spot checks on further items paid into the Council's accounts were cross checked against cashbook and bank statements. All were found to be in order within the restated cashbook with the Clerk providing an underlying audit trail. The council's minutes show receipt of and approval of a list of receipts occurred during a specified period, which are included within the published minutes of the council's meetings.</p> <p>During the year under review, council received CIL receipts in the sum of £20,453.48 (April £300.00 and October £20,153.48). The Clerk has ensured that the financial spreadsheets are able to identify the monies received and expended for CIL projects and created an earmarked reserve in accordance with the Regulations. It is anticipated that the year-end ringfenced reserve balance will show a carry forward figure of £26,946.36.</p>
<p>7. Petty cash/expenses procedure.</p>	<p>Council does not operate a petty cash system.</p>
<p>8. Payroll controls.</p> <p>Examination of:</p> <ul style="list-style-type: none"> • Management of payroll • PAYE/NIC system in place • Compliance with HMRC procedures • Records relating to contracts of 	<p>The Council, in accordance with proper practices and with reference to section 151 of the Local Government Act 1972, has employed a RFO who is responsible for the financial administration of the authority.</p> <p><i>Comment: Financial Regulation 1.5 also states that the RFO holds a statutory office, appointed by the council.</i></p> <p>The council's payroll service was reviewed and has been operated properly and overseen by the council as an employer. The council is a member of the Local Government Pension scheme (LGPS)</p>

<p>employment</p>	<p>effective February 2026. The payroll function was conducted by Suffolk Association of Local Councils for the year under review. At year-end Council had one employee on its payroll. It is confirmed that the NJC pay award as outlined in the Local Government Services Pay Agreement 2025 has been applied to the relevant staff members at the time the pay award became effective. <i>Comment: There are robust payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities and as such the Council has complied with its duties under employment legislation and has met its pension obligations.</i></p> <p>Whilst council is aware of its pension responsibilities, the redeclaration of compliance with the Pensions Regulator seen was due in July 2025. The Clerk has confirmed that this will be actioned with immediate effect. <i>Comment: Council should be aware that every three years an employer must put certain staff back into a pension scheme. This is known as 're-enrolment'. This is an employer's legal duty and Council's must let the Pension Regulator know when they have completed the task by completing and submitting a re-declaration of compliance.</i></p>
<p>9. Asset control. Examination of:</p> <ul style="list-style-type: none"> • Asset Register • Checks on existence of assets • Recording of fixed asset valuations • Cross checking on insurance cover 	<p>The Asset Register is held on an excel spreadsheet and covers those items listed under insurance and within the parish council's remit for maintenance and ownership.</p> <p>The Asset Register, as reviewed during the internal audit review is stands at £4,384 which shows movement during the year in terms of acquisitions (laptop and printer). The approved itemised list will form the basis of Box 9 of the Annual Governance and Accountability Guide. The Asset Register was reviewed during the internal audit review, and it is noted that council has used the original acquisition price for the fixed value for those assets based within its territorial confines. Council is to formally approve the asset register as submitted at the meeting at which the Annual Governance and Accountability return will be approved.</p> <p>The assets within the register have recorded values that are the original purchase cost (where known). <i>Comment: Council has noted the requirement for smaller authorities to record each asset at its original purchase cost or where the original purchase cost is unknown at the time of first recording on the asset register, a current value should be recorded, which will act as a proxy value to the original cost and will remain unchanged until disposal. The method of asset valuation should be applied consistently from year to year. If council materially enhances an asset, then the recorded asset value may vary. Council has noted this requirement and has ensured that the valuation process adopted is set out and recorded in its asset register.</i></p>
<p>10. Bank reconciliations Examination of:</p>	<p>As mentioned in the interim internal audit review, post February 2026, bank reconciliations were completed on a regular basis and reconcile with the cash sheets.</p>

<ul style="list-style-type: none"> • Bank reconciliations • Cashbook • Bank statements 	<p>The Clerk has implemented a system whereby Council has taken steps to ensure that it can evidence that it is working in accordance with guidance issued within Proper Practices which state that bank reconciliations should be prepared routinely, subject to independent scrutiny and signed by members with a regular minute to record the activity undertaken. Approval of the bank reconciliation by the authority or another authority nominee is not only good practice but is also a safeguard for the Responsible Financial Officer and will fulfil one of the authority's internal control objectives</p> <p><i>Comment: Council is aware that, in accordance with Proper Practices, the bank reconciliation is a key tool for management as it assists with the regular monitoring of cash flows which aids decision-making, particularly when there are competing priorities. In accordance with Proper Practices, council has implemented a system whereby the monthly reconciled bank accounts are presented to Full Council.</i></p> <p>Bank balances as of the date of the internal audit review agree with the year-end balances and stood at £27,267.11 across the accounts held in the council's name as verified from statements and the cashbook.</p> <p>The minutes of 19th February 2026 provide confirmation that the Clerk is investigating the dormant NS&1 account.</p>
<p>11. Year-end procedures.</p> <p>Examination of:</p> <ul style="list-style-type: none"> • Appropriate accounting procedures used • Bank Statements and Cash Book agree • Has the appropriate end of year AGAR documents been completed? • Where an authority certified itself exempt in 2025 did it met the exemption criteria and correctly declared itself exempt? 	<p>Accounts are produced on a receipts and payments basis, and all were found to be in order. The end of year accounts, as presented for the internal auditor review, provide confirmation that there is a clear financial trail from records to presented accounts.</p> <p>Year-end balances agree with cash book and bank reconciliations. Income received for the year totalled £8,387.37 with expenditure totalling £25,968.80 leaving a carried forward balance of £27,267.11.</p> <p>As Council is a smaller authority with gross income and expenditure exceeding £25,000 it will be unable to claim exemption from a limited assurance review.</p> <p>As such the council will be required to complete the Annual Governance and Accountability Return (AGAR) Form 3. The Annual Return was submitted for internal audit review in DRAFT form, and it is assumed that the figures contained therein will be replicated in their entirety onto the Accounting Statements (Section 3 of the AGAR) prior to submission to the council for formal approval. The Internal Auditor has fully completed the Annual Internal Audit Report of the AGAR (Form 3) on this basis.</p> <p>For the year ending 31st March 2025, council was able to claim exemption from a limited assurance review as it met the following criteria:</p>

	<ul style="list-style-type: none"> • Its gross income and gross expenditure are both below £25k; and • no public interest report/statutory recommendation/advisory notice/judicial review/application to court re unlawful item of account has been issued by its external auditor in the prior year; and • the reporting year is not one of the authority's first three years of existence. <p>There is, however, no formal resolution within the minutes of Summer 2025 to declare the council's resolution to apply for an exemption from a limited assurance review. The minutes of 13th March 2026 confirm that council retrospectively approved the Exemption from External Audit for the year ending 31st March 2025 following the revisitation of the AGAR first approved at the meeting in July 2025.</p> <p><i>Comment: Council is aware that it needs to ensure that there is formal evidence of the legal decision taken to claim exemption under section 9 of the Local Audit (Smaller Authorities) Regulation 2015. The minutes at which the AGAR for the year ending 31st March 2025 was first considered should have been expanded to demonstrate that, having reviewed the criteria for exemption, Council agreed to claim exemption and permission was given for the form to be signed and submitted to the external auditor.</i></p>
<p>12. Compliance with either the Local Government Transparency Code 2015 or the Local Government Transparency Code 2014 for smaller authorities:</p> <p>Examination of:</p> <ul style="list-style-type: none"> • Information uploaded to the council's website 	<p>Council is advised that the Practitioners' Guide states that for councils with income or expenditure greater than £25,000 it should seek to comply with the Local Government Transparency Code 2015 for smaller authorities. As such it should seek to make certain data held and managed by the council available to the public unless there are specific sensitivities to doing so.</p> <p><i>Comment: council is advised to consider maintaining and monitoring the council's website so that it is updated regularly with pertinent information and complies with the publication requirements of the Local Transparency Code 2015.</i></p> <p>Should council expect to have gross income and expenditure under £25,000 for the year 2026-2027, it will be required to follow the Local Government Transparency Code 2014 for smaller authorities.</p> <p>For the year ending 31st March 2025, as a council with gross income and expenditure totalling less than £25,000, the following were published on a public website in accordance with the dates prescribed by the relevant regulations (not later than 1 July): those in bold were missing from the website</p> <p>Internal Audit Report; List of Councillors and Responsibilities; Items of Expenditure Above £100 including recoverable and non-recoverable VAT; End of Year Accounts; Annual Governance Statement; Asset Register; Agendas of Meetings; Associated Papers</p>

	<p>Minutes - all of which should be published in accordance with the prescribed timescales as set out in the Transparency code for smaller authorities – December 2014.</p> <p>Recommendation: council should seek to ensure that Items of Expenditure Above £100 including recoverable and non-recoverable VAT are also published in accordance with the 2014 Regulations.</p> <p><i>Comment: For the year ending 31st March 2026, council is aware that it should, as a minimum, ensure that the above are published on a public website in accordance with the dates prescribed by the relevant regulations (not later than 1 July).</i></p>
<p>13. Period for the Exercise of Public Rights set in accordance with the Audit & Accounts Regulations of 2015 in relation to the year 2024-2025</p> <p>Examination of:</p> <ul style="list-style-type: none"> • Dates set for 2024-25 	<p>As advised in the interim internal audit report the public rights exercise was set at the meeting of 22nd July 2025 and covered the period Wednesday 23rd July 2025 to Wednesday 3rd September 2025. It was noted by Councillors that this fell outside the statutory deadline due to staffing and administrative challenges. It is confirmed that the notice of the public rights for the year ending 31st March 2025 as approved at the meeting in July 2025 is missing from the council operated website(s). Following the restating of the accounts for the year ending 31st March 2024 and 2025, at the meeting of 13th March, Council set the dates to recommence the exercise of public rights to cover the period Monday 16 March 2026 to Tuesday 28 April 2026. The website contains the notice of the new period and details the manner in which those interested may inspect the council's accounts and supporting paperwork.</p> <p><i>Comment: within the Annual Internal Audit Report, internal control objective test M requires the internal auditor to establish whether the parish council correctly provided for the exercise and published a copy of the required "Public Notice" by ensuring that it clearly identified the statutory 30 working day period when the Authority's records are available for public inspection. 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>Recommendation: council is aware of the recommendation contained within the internal audit report for the year ending 31st March 2025 and should consider its response to Assertion 4 on the Annual Governance Statement for the year ending 31st March 2026.</p>
<p>14. Have the publication requirements been met in accordance with the Audit & Accounts Regulations of 2015.</p> <p>Examination of:</p> <ul style="list-style-type: none"> • Publication requirements for the year 2024-2025 	<p>The Internal Auditor is not 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 not exceeding £25,000, as it has not published all of the following for the year 2024 - 2025 on a publicly accessible website: those in bold are missing from the website:</p> <ul style="list-style-type: none"> • Certificate of Exemption • Annual Internal Audit Report • Section 1 – Annual Governance Statement of the AGAR • Section 2 – Annual Accounting Statements of the AGAR • Notice of the period for the exercise of public rights – <i>this is now published on the website and dated 14th March 2026.</i>

	<ul style="list-style-type: none"> • Analysis of variances • Bank reconciliation – year-end <p>Recommendation: the Internal Auditor is aware that the above is in the process of being addressed but council should seek to ensure that all documentation relating to the year ending 31st March 2026 is uploaded to the council’s website prior to the commencement of the period of public rights and prior to 1st July 2026.</p>
<p>15. Compliance with Assertion 10 of Section 1 of the Annual Governance Statement Examination of:</p> <ul style="list-style-type: none"> • Email management • IT Policy • Compliance with Web Content Accessibility Guidelines 2.2AA • Compliance with Data Protection Legislation • ICO registration • Compliance with publication requirements of the Freedom of Information Act 	<p>Assertion 10 has now been added to clarify data compliance (previously covered under Assertion 3). To warrant a positive response, the authority needs to have taken the following actions:</p> <ul style="list-style-type: none"> • Have a generic email account hosted on an authority owned domain • Meet the Web Content Accessibility Guidelines 2.2 AA and the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018. • Must publish documentation as specified in the Freedom of Information Act 2000 and the Transparency code for smaller authorities (where applicable). • Must follow both the General Data Protection Regulation (GDPR) 2016 and the Data Protection Act (DPA) 2018. • Must process personal data with care and in line with the principles of data protection. • Must have an IT policy. <p>Council previously operated with the website https://horhamandathelington.onesuffolk.net/. The current site is https://horhamathelington-pc.gov.uk/. The latter site supports a secure and digitally managed email system. There is a dedicated gov.uk email addresses for the Clerk with councillors being provided with gov.uk emails effective February 2026.</p> <p><i>Comment: it is noted that the latter site is work in progress and is being expanded to ensure compliancy with the Website Regulations. The provision of authority-owned email addresses for all councillors will enable a clear record of communications and maintenance of an audit trail making it easier to respond to Data Subject Access and Freedom of Information Requests.</i></p> <p>Council is aware that it should adopt an IT Policy for use of IT equipment for authority business for both Staff and Councillors which should explain how all involved with the authority - clerks, members and other staff - should conduct authority business in a secure and legal way when using IT equipment and software. This should also relate to the use of authority-owned and personal equipment.</p> <p>Recommendation: Council is aware that this is an outstanding audit point.</p> <p>The Council has published a website accessibility statement on the newer council operated website (https://horhamathelington-pc.gov.uk/) detailing the technical information of the website along with the methods used for testing the website; the steps being taken to improve</p>

	<p>accessibility and how the site is being improved to ensure that content meets 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>Council has still to take active steps to ensure compliancy with the GDPR requirements and is advised to produce an Information Policy detailing the manner in which the parish council will protect and handle information relating to personal information. The Policy should provide 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.</p> <p><i>Comment: To be fully compliant with the General Data Protection Regulation requirements, council is aware that all adopted policies are reviewed on a cyclical basis thereby demonstrating that its data processing activities align with the latest legislative requirements and that corrective action is being taken to mitigate any risks that might be forthcoming. It should also seek to undertake regular data audits.</i></p> <p>As a Data Controller, all local authorities are required to register with the Information Commissioner’s Office (ICO) in accordance with Data Protection Legislation. Whilst the council’s registration expired in October 2025 it was renewed in February 2026. The Clerk confirms that Direct Debits are now in place to ensure that renewal deadlines are not missed.</p> <p>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 is aware that this is a requirement under the Act and such a scheme, which will set out the Council’s commitment to make certain classes of information routinely available, such as policies and procedures, minutes of meetings, annual reports and financial information was presented to and adopted by the parish council in April 2026.</p> <p><i>Comment: council should seek to publish the document at the earliest opportunity.</i></p>
<p>16. Internal Audit: Examination of:</p> <ul style="list-style-type: none"> • Reporting of Previous Internal Audit Reports • Review of internal audit • Review of effectiveness of internal audit • Appointment of internal auditor 	<p>The Interim Internal Audit Report for the period ending February 2026 was received and approved by full Council at a meeting of 13th March 2026. The internal audit report had raised a number of recommendations which would be considered by the parish council during the year commencing 1st April 2026.</p> <p>The recommendations were as follows:</p> <ol style="list-style-type: none"> 1. Council to review its response to Assertion 4 on the Annual Governance Statement for the year ending 31st March 2026 2. Publication of documentation in accordance with the Audit and Accounts Regulations 2015 - outstanding 3. Adoption of an IT Policy - outstanding

	<p>4. Compliance with GDPR – outstanding</p> <p>The following matters are outstanding from the internal audit review of 31st March 2025 but are work in progress:</p> <p>5. Review of the Management and Control Risk Assessment documentation on an annual basis – work in progress</p> <p>6. Compliance with the Local Government Transparency Code 2014 – work in progress</p> <p>7. Compliance with the Pension Regulator – work in progress</p> <p><i>Comment: in accordance with guidance, council considered the action plan setting out the areas of improvement or development as identified within the narrative internal audit report. All proposed remedial actions were identified within the plan along with the members or officers responsible for delivering improvement and the deadlines for the completion of the action. Progress against the identified action plan will be monitored during the year commencing 1st April 2026.</i></p> <p>In accordance with the Accounts and Audit Regulations 2015, full Council formally reviewed the scope of its internal audit arrangements at its meeting of 19th February 2026. The review covered an assessment of the scope of internal audit, independence, and competence of the internal auditor, audit planning and reporting along with overall responsibility for each function. All were found to be acceptable to the council along with audit plan produced. Following a recommendation to full Council, agreement was forthcoming to accept the quotation received for an interim audit to review and assess the general systems of the council in terms of their soundness, adequacy, effectiveness and reliability of financial and performance management. The review will also assess the council’s response to those matters raised in the internal audit report for the period ending 31st March 2025.</p> <p>The appointment of the person to act as the parish council’s independent internal auditor for the year 2025-2026 was also approved at the council meeting of 19th February 2026. Agreement was also forthcoming for the council to include an interim audit within the scope of works being proposed.</p> <p><i>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>17. External Audit Examination of:</p> <ul style="list-style-type: none"> • Reporting of External Audit Report 	<p>As council met the criteria, it was able to claim exemption from a limited assurance review for the year ending 31st March 2025 and submitted an approved exemption certificate to the external auditor.</p>
<p>18. Responsibilities as a Sole Trustee</p>	<p>The Council does not act as a sole trustee, nor does it have any responsibilities as a trustee.</p>
<p>19. Additional comments.</p>	<p>Council held its Annual Meeting of the Parish Council on 8th May 2025 at which the Chair for</p>

<p>Examination of:</p> <ul style="list-style-type: none"> • Annual Meeting • Election of Chair and Vice-Chair and signing of Declaration of Acceptance of Office • Register of Interests • Code of Conduct • Minutes • Openness of Local Government Bodies Regulations 2014 	<p>the coming year were elected as the first items on the agenda, in accordance with legislation (ss 15(2) and 34(2) of the 1972 Act). The minutes demonstrate that, in accordance with legislation, on being elected to office, the Chair duly signed the declaration of acceptance of office in the presence of the clerk.</p> <p>Following the resignation in the position of Chair, at the meeting of 9th October 2025, in accordance with section 83(4) of the 1972 Act, Council sought to fill the position without significant delay and specifically, at the next ordinary meeting.</p> <p>Evidence was seen on the District Council’s website for the register of Interests for all current parish councillors with a link from the Parish Council’s website to that of the District Council for access to the Register of Interests.</p> <p>In accordance with the Local Government Act 1972 Schedule 12 para 41 (1), Council is aware that the loose-leaf minutes and associated documents of the parish council should be initialled and signed by the person chairing the meeting at the time of signature which ensures their lawful providence.</p> <p><i>Comment: Council has noted that LGA 1972 Schedule 12, paragraph 41 allows for the minutes of the proceedings of meetings of a local authority to be recorded on loose leaves provided that they are consecutively numbered. Council has implemented such a system.</i></p> <p>The Openness of Local Government Bodies Regulations 2014 were enacted on 5th August and came into force on 6th August 2014. These regulations allow for the filming and recording of Council meetings (and other specified public bodies) and provide for access to records (e.g. of decisions made by officers).</p> <p><i>Comment: Council has reviewed the provisions of the Regulations to ensure that, by publishing a range of information online, it is compliant with the provisions of the Act.</i></p>
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Victoria S Waples

Date of Internal Audit Review: 19.05.26-24.05.26

Date of Internal Audit Report: 24.05.2026

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