

Internal Audit Report

(To be read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return)

Name of council:	Aldbury Parish Council		
Name of Internal Auditor:	Katie Eyre	Date of report:	05.05.2026
Year ending:	31 March 2026	Date audit carried out:	24.04.2026

To the Chairman of the Council

Thank you to Gosia firstly for supplying me with all relevant documentation for me to carry out this audit.

For this year's audit I first inspected the council's website to carry out checks of transparency and accessibility. I then viewed all of the council's agendas, minutes and available policies along with other relevant documents to gain a good perception of this year's activities. I then sort evidence that statutory documentation such as last year's AGAR, and internal audit report, along with the public rights notice and conclusion of audit were published. I also read through the relevant financial documents for this year to ensure reporting was correct and accurate. I also sort evidence that correct insurance limits were in place and that the correct employment statutes were implemented. The clerk also provided me with additional information based on the above audited. I also sort evidence of previous year's audit recommendations were met and based on my findings I have been able to proceed with the below audit report for 2025-2026

A. Appropriate accounting records have been properly kept throughout the Year.	YES
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The brought-forward figures recorded in the cashbook for the current financial year were verified against both the year-end statement of accounts, bank reconciliations and the previous year's AGAR, with no discrepancies identified.

The Council receives regular budget monitoring reports, and the Clerk includes the supporting financial information within the published meeting papers, ensuring members have clear visibility of the financial position throughout the year.

Reserves are reported to Council and reviewed as part of the annual budget-setting process, enabling members to monitor both general and earmarked reserves and ensure they remain appropriate for planned activity and financial risk

B. The authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.	YES
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There are effective procedures in place for the acquisition of quotations and formal tenders. The Council seeks to obtain three quotations, where practicable, and the processes followed are consistent with the thresholds and requirements set out in the current Standing Orders and Financial Regulations.

Procedures for the receipt and verification of invoices are robust. Invoices are checked for accuracy, matched to the goods or services received, and approved for payment by the Clerk and councillors as appropriate. Evidence of these checks is retained, and the Council's processes ensure that only properly authorised and verified expenditure is released for payment.

There is effective segregation of duties between the setting up of online payments and the authorisation of their release. The Clerk prepares payments, and nominated councillors independently review and approve them at the bank. This provides a clear audit trail and reduces the risk of error or unauthorised transactions.

VAT reclaims are prepared accurately and submitted in a timely manner, with the underlying cashbook and invoice records supporting the amounts claimed. The Clerk reports VAT activity to Council as a standing agenda item, ensuring transparency and compliance with HMRC requirements.

The Council does not operate any debit or credit cards. As such, there are no associated risks relating to card security or usage. Where the Clerk makes purchases in her own name, VAT is not reclaimed, and all reimbursements are supported by a completed expenses form and receipts where applicable.

C. The authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	YES
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Risk management and assurance framework

Aldbury Parish Council (APC) has a comprehensive suite of risk assessments in place to support its activities, covering both routine operations and ad-hoc events. The Council has prepared and formally adopted an appropriate register of assessed risks during the 2025/26 financial year, and this is reviewed at least annually to ensure it remains current and proportionate.

Appropriate insurance cover is in place for all relevant areas required by statute, including public liability, employers' liability, fidelity insurance and cover for land and physical assets. Additional insurance is arranged where necessary for specific council or volunteer activities, ensuring that all operational and statutory risks are adequately protected. Insurance documentation for contractors is also held on file.

Annual playpark inspections are undertaken by RoSPA, and the resulting report is presented to Council as an agenda item for review. Regular operational inspections are carried out by the trained parish warden, who has received appropriate professional accreditation. A comprehensive monthly report, including photographic evidence, is provided to councillors, ensuring that risks are monitored effectively throughout the year. A risk assessment for the review of physical assets is in place, supported by photographic evidence. This contributes to the Council's wider asset management and risk monitoring arrangements.

Internal control and governance reviews

The Council has undertaken a detailed Review of the Effectiveness of Internal Controls during the audit year, demonstrating compliance with statutory requirements and good governance practice. The Internal Audit Report for 2024/25 was formally considered by Council, with a full response issued to the Internal Auditor and recorded as an agenda item, this is carried out each year and published on the council website.

Committees and working groups operate under approved terms of reference, providing clarity over delegated responsibilities. The appointment of the Internal Auditor was appropriately considered and approved by full Council.

<p>D. The Precept or rates requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored; and reserves were appropriate.</p>	<p>YES</p>
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The Council has approved the precept for 2026/27 at a meeting of the full authority, in line with the timetable set by the principal authority. This ensures that the decision is taken at the appropriate level and complies with statutory expectations.

Regular budget monitoring reports for 2025/26 have been presented to members throughout the year. These reports include narrative explanations where variances arise, allowing councillors to understand the reasons behind movements in income and expenditure and to maintain effective oversight of the Council's financial position.

Performance against the approved budget is reviewed both during the year and at year-end, with councillors seeking clarification on any significant or unexpected variances. This demonstrates active engagement with financial management and supports transparent decision-making.

The Council has considered the establishment and use of earmarked reserves, and these are reviewed as part of the annual budget-setting process to ensure they remain appropriate for planned projects and identified risks. This approach supports sound financial planning and resilience.

The precept recorded in the 2025/26 accounts corresponds with the amount requested on the previous year's precept submission and matches the figure published by the billing authority. This confirms that the income has been correctly received and accounted for.

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

The Council has effective arrangements in place for the monitoring and recovery of income across all streams. Aged debtor information is reviewed to ensure that any outstanding amounts are followed up appropriately and that recovery action is timely.

Allotment and sports facilities income continues to be well administered, with signed tenancy and lease agreements in place and a maintained register of tenants. The Clerk reports income received and any arrears to full Council, ensuring transparency and oversight.

Where income is receivable on fixed dates, appropriate control records are maintained to identify when amounts are due and when they have been received and banked. This ensures that no expected income is overlooked. Cheques from the sports clubs are banked promptly.

Commercial filming income continues to be managed in accordance with the Council's adopted policy. The Council has previously sought advice from HMRC regarding the treatment of this income and remains mindful that this area should be kept under review.

F. Cash payments were properly supported by receipts, all cash expenditure was approved, and VAT appropriately accounted for.	N/A
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The clerk confirmed that there is no petty cash. So, I have marked this assertion not applicable.

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.	YES
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The Council has appropriate employment arrangements in place. The Clerk has a formal contract of employment, and any amendments to terms and conditions are confirmed in writing and retained on file. No councillor allowances are paid, and therefore no member-related tax liabilities arise.

Payroll processes are well managed. The Clerk's salary is calculated correctly in accordance with the approved NJC spinal column point and contracted hours. The correct tax code is applied, and payroll software used for the calculation of tax, National Insurance and pension deductions is up to date. A review of the Clerk's payroll records confirmed that statutory deductions have been calculated accurately.

The Clerk is enrolled in the Local Government Pension Scheme (LGPS), and both employee and employer contributions are applied at the correct percentage rates. National Insurance deductions and employer contributions are treated correctly, with no use of the Employment Allowance, in line with statutory restrictions for local councils.

The Clerk receives a working-from-home allowance, which has been applied in accordance with HMRC guidance. Net pay is transferred correctly, and all associated payments to HMRC and the pension fund are made in a timely manner.

The Council should ensure it continues to investigate meeting its obligations to HMRC with regards to its warden as mentioned in previous IA reporting and continues to access HMRC gateway to keep close checks of its HMRC PAYE and NI contributions.

H. Asset and investment registers were complete and accurate and properly maintained.	YES
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An up-to-date asset register has been produced for this period
 The asset values reflected within the register represent those of box 9 on the previous year's AGAR section 2
 The Council holds a Clear Council insurance policy under a three-year agreement. This level of cover should continue to be monitored periodically, particularly during periods when higher-value income is expected.

The council has no borrowing or lending for this financial period.

I. Periodic bank reconciliations were properly carried out throughout the year.	YES
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Periodic bank reconciliations were completed throughout the financial year, and each reconciliation was accurate and supported by the underlying bank statements and cashbook records. The reconciliations were reviewed and reported to Council as part of the routine financial monitoring process, demonstrating that appropriate controls are in place and operating effectively

J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cashbook, supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded.	YES
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Aldbury Parish Council maintains its accounting records on the Rialtas Alpha system, which provides an appropriate framework for recording income and expenditure and supports the preparation of the figures reported in Section 2 of the AGAR.

The records are kept up to date throughout the year, and the financial information extracted from the system accurately reflects the underlying transactions.

Appropriate arrangements are in place for recognising debtors and creditors during the year and at the financial year-end. The Clerk scrutinises all invoices prior to payment, and for the sample reviewed during the audit, invoices were readily available, correctly authorised and clearly cross-referenced to the payment schedule.

The payment schedule is approved at Council meetings, with all supporting invoices signed and available for member scrutiny, ensuring a clear audit trail from invoice receipt through to payment authorisation.

The financial detail reported in the AGAR is consistent with the accounting records maintained for the year, and the controls in place provide assurance that the figures disclosed are complete, accurate and supported by appropriate documentation.

<p>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.</p>	<p>N/A</p>
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The Council were not required to confirm itself exempt as it did not meet the requirements for this financial period

<p>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</p>	<p>YES</p>
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Aldbury Parish Council continues to demonstrate compliance in most significant respects.

Agenda and accompanying papers are published on the Council’s website, giving public access to decision-making information.

The Council has adopted the ICO Model Publication Scheme which is available on the website.

Member’s Registers of Interests are provided on the council website.

<p>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.</p>	<p>YES</p>
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The required Public Notice for the exercise of public rights was made available and clearly set out the full statutory 30-working-day inspection period. The notice specified the start Tuesday 3rd June 2025 and end date Monday 14th July 2025 in accordance with the Accounts and Audit Regulations, and the period provided met the statutory requirements with the display notice being Tuesday 13th May 2025.

The Council also minuted the relevant dates at the same meeting at which the AGAR was approved, ensuring a clear public record of both the approval process and the inspection window. This demonstrates compliance with the transparency and publication duties associated with the annual accounts.

N. The authority complied with the publication requirements for the 2024/25 AGAR.	YES
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The statutory publication requirements relating to the previous year’s AGAR have been met. The Council published the prior year’s AGAR documents in accordance with the timetable and requirements set out on the front page of the current year’s AGAR, ensuring that all mandatory elements were made available for public inspection and remained accessible for the required period. This demonstrates compliance with the Accounts and Audit Regulations and supports the Council’s overall transparency obligations.

O. The authority has complied with laws, regulations and proper practices resulting to digital and data compliance.	YES
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The Council has in place an appropriate website domain and follows guidance outlaid within the practitioner's Guide with regards to the council holding at least one generic email addressed owned by the council.

The council has in place an accessibility statement this is compliant with WCAG 2.2

I recommend that all councils regularly carry out a website screening to check that the website is compliant with current accessibility requirements. I have attached the guidance for the latest guidelines (WCAG 2.2) and a webpage checker to help you.

[User accessibility Tool](#)

[Web Content Accessibility Guidelines \(WCAG\) 2.2](#)

Councils Accessibility Statements should be updated to reflect any findings, any ratifications and dates of check

The council has in place an IT policy and a data protection policy which have both recently been reviewed.

I am delighted to see the council has in place a comprehensive data audit which complies with UK GDPR article 30 (1)

P. Trust funds (including charitable) - the Council met its responsibilities as a trustee.	N/A
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The Council is not a trustee of any charity of bodies, nor does it hold anything in trust.

GENERAL

I would like to record my sincere thanks to Gosia for her continued professionalism and the diligent way she supports Aldbury Parish Council in meeting its statutory responsibilities. Her structured approach to governance, strong awareness of risk, and consistent implementation of proper practices have been evident throughout the year and have greatly assisted the audit process.

I would also like to acknowledge the councillors for their commitment to operating within the legislative framework that governs parish councils. Their willingness to engage with guidance, maintain transparency, and uphold the principles of sound financial management reflects positively on the council's overall governance arrangements.

The council's adherence to the *JPAG Practitioners' Guide* — particularly in relation to internal control, risk management, financial oversight, and publication requirements — has contributed to a well-organised and compliant year. The Guide remains the sector's benchmark for proper practices, and continued reference to it will help ensure that Aldbury Parish Council remains well-prepared for future audit cycles.

I am pleased to confirm a fully compliant internal audit for this financial year, which is a direct result of the Clerk's hard work and the council's ongoing commitment to good governance.

This concludes my narrative report. Please do not hesitate to contact me for any clarification of this internal audit report.

Yours sincerely,



Katie Eyre
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The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2025)*. It is a guide to the accounting practices to

be followed by local councils, and it sets out the appropriate standard of financial reporting to be followed.