



Parish and Town Auditing Services

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Cat Radford
Clerk/RFO
Dittisham Parish Council

25th May 2026

Dear Cat,

END OF YEAR INTERNAL AUDIT 2025/26

Parish & Town Auditing Services have been appointed to undertake the internal audits at Dittisham Parish Council. The annual internal audit for 2025/26 financial year was completed on 25th May 2026.

I can confirm that I am independent of the Parish Council.

As stated in the Letter of Engagement letter, the scope of our work is limited to completing the audit testing and enquiries we deem necessary to complete the internal audit section of the Annual Report for Local Councils in England. We do not provide assurance over or accept responsibility for areas of work not included in this scope, unless specifically agreed with the Council during the financial year. In providing internal audit services we are not conducting a financial statement audit in accordance with standards and guidelines issued and our procedures are not designed to provide assurance over the reliability and quality of your financial statements. This will be undertaken by the Council's appointed External Auditor.

We are required by the Annual Internal Audit Report included in the Annual Governance and Accountability Return (AGAR) to review controls in place at the Council against predefined control assertions. These controls are included in the following report.

The Audit has identified a number of recommendations to help update and improve the Council's current procedures. The audit has found no areas of concern and the Council's procedures and controls are generally working well.

Commented [CR1]: Don't see any recommendations?

Thank you for all the information you have provided to enable the audit to be undertaken.

Yours sincerely,

Paul Russell, Internal Auditor

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 Clerk to the Council has been appointed as RFO (LGA1972 s151).
Recommend this be included on the website under the Clerk's details.

The roll over figure is £81,625 (Box 7).

The Council maintains its accounts using the Scribe accounting software. 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 invoices against payment reports and the bank statements;
- 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 robust process in place to ensure that financial information is correctly recorded and reported to Council as part of its governance procedures. Procedures are included in the Financial Regulations and in its [Internal Controls](#) policy.

The Finance Working Group receives a quarterly financial report which includes bank reconciliations and budget monitoring.

A list of invoices for payment is presented to Full Council for consideration and approval.

The Council has a Risk Management Register in place: [Risk Register](#)

Bank reconciliations are completed on a monthly basis in Scribe. [The Finance Working Group was established in August 2025](#). Hard copies of the bank reconciliations and bank statements are reviewed, initialled and signed.

There is appropriate segregation in place.

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 £101,202.67 as at 31st March 2026.

The Council now has balances of over £100,000 at year end and will require an Investment Policy. Noted that this is being actioned.

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.

Commented [CR2]: Is this strictly true, or did it meet before this? The incoming Clerk has met with the Finance Working group since August 2025 to establish a regular cycle of meetings.

Commented [CR3]: quarterly

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.

Standing Orders and Financial Regulations are based on the latest versions. The limits between the two documents are consistent.

The following financial process is in place:

- The Clerk/RFO is responsible for financial transactions;
- Invoices are verified for accuracy on receipt and coded to the correct cost centre;
- Invoices are saved electronically within the accounting package;
- All payments are reported to Full Council for approval;
- Payments are authorised by Full Council and minuted;
- Clerk/RFO uploads payments onto the online banking app;
- All payments are authorised by two Councillors.

There is appropriate segregation in place.

The Council is VAT registered. VAT submissions are undertaken quarterly through the accounting software. Noted that the appeal against a late submission penalty was upheld but the penalty was taken. Currently being addressed.

The Council does not have a debit card in place.

The Council does not have the 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.

The Council has a Risk Management Policy in place which has been reviewed.

The Council is insured with Ecclesiastical through Clear Councils. Policy number LCO02274. Insurance has just been renewed and operates from 03/07/2025 to 02/07/2026.

A review of the insurance policy has been undertaken and Council is adequately insured. The policy includes Employers Liability (£10 million), Public and Products Liability (£10 million) and Fidelity Guarantee (£250k).

The Council is responsible for the Ham Playground. The Council has an independent annual inspection carried out on the playground annually by an independent inspector. Regular inspections are undertaken during the year.

The Council has adequate internal controls, supported by an Internal Controls Policy and Risk Register, 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.

The budget and precept were set by resolution at the Parish Council meeting on 29th January 2025. Minute 7 refers.

7. 2025/26 Budget and Precept Demand

It was resolved that the 2025/26 Budget will include a grant of £4,000 to the Village Hall Management Committee for maintenance, allow for a grant of £1,250 to St George's Church for grounds maintenance, make a total transfer of £4,374 to the Parish Health and Safety Reserve to increase funds available to install a handrail on Jubilee Steps, and a Precept tax demand of £19,556, and that other elements of the budget are approved as per the draft Budget circulated.

It has been confirmed that a precept of £19,556 was requested. (MHCLG Parish Code E1136P018)

Budget monitoring is reviewed on a monthly basis by Full Council, during budget setting and by the Finance Working Group.

The Council has set up Earmarked Reserves. Balance at year end was £62,307.51. Transfers, expenditure and receipts are also recorded.

The Council has adequate General Reserves available as recommended by SAPPP (£38,895.16). The Council had the following Bank Statement Balances as at 31st March 2026:

ACCOUNT	AMOUNT
Lloyds Treasury Account	£32,524.88
NatWest	£7,818.43
Lloyds Savings	£9,031.25
NatWest 32 Day	£16,849.37
NatWest 95 Day	£34,978.74
TOTAL	£101,202.67

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 does not have any aged debtors.

The Council does not manage the allotment site, is not a burial authority and does not hire out any venues.

Council's other income for 2025/26 included bank interest, car park income, donations, grants and pontoon rents. All income is correctly recorded in the accounts system and is accompanied by an audit trail.

Commented [CR4]: Is this true? Has this ever been true?
Could be mixing up the shared cost of water bills with pontoon rent.

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 make any cash payments during the 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.

All staff have a contract of employment in place.

Members do not receive a members' allowance.

A sample of salaries has been checked and confirmed. Salaries paid during the year have been reviewed. Gross pay is calculated in accordance with the relevant NJC scale. Tax codes are included on the payslips and deductions properly calculated.

Council is part of the Nest Pension Scheme and contributions are submitted monthly.

National Insurance contributions have been deducted as required.

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. Current value of the assets amounts to £239,990.38. The Register is maintained on a spreadsheet and has been updated. It meets current requirements.

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

Council does not have any long-term investments in place.

Council has one interest free loan in place for the Level Car Park that amounts to £5,000 repayments per annum. The outstanding balance is £67,185.00

The Council has met this control objective.

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

Bank reconciliations are prepared monthly and are signed off by Full Council.

Commented [CR5]: Quarterly bank reconciliations are reviewed and signed by the Finance Working Group, and the action noted by Full Council.

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. Receipts and payments agree to the cash book and are supported by an adequate audit trail.

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](#)

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 requirements were met. The Notice states 9th June to 18th July 2025. This meets the statutory 30 day requirement.

The Council formally minuted the dates of the public notice at the meeting where the AGAR was approved on 4th June 2025. (Minute 7.1.7). The Notice was uploaded onto the website.

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 .co.uk email addresses for the Clerk and its members. Although Council does not have a .gov.uk domain it does meet best practice advice by having a .co.uk domain for its website and email account.

The Council has adopted an IT policy as required. [20251001-Dittisham-Parish-Council-IT-Policy-ADOPTED.pdf](#)

The Council has an Accessibility Statement published on its website. [Website Accessibility Statement | Dittisham 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 Dittisham Parish Council website complies with WCAG 2.2 AA. It achieves 73%: [Scan Results — CompliaScan](#)

Accessibility has been reviewed and the parish council section of the website scores 10 out of 10. [WAVE Report of Home | Dittisham Parish Council](#)

Data Protection requirements:

- Data Protection Lead – Clerk is responsible for data protection.
- Data Audit: In the process of being undertaken/updated.
- Training for staff and Councillors: Councillor and staff have undertaken relevant training during the year and there is a planned training programme in place.
- Data Protection Policy: [Information Data Protection](#)
- Document Retention Policy: [Document Retention and Disposal Policy](#) and [Retention of Documents Appendix](#)
- Privacy Notice: [PN](#)
- Secure data to protect it from Data Breaches: [Data Breach Reporting Form](#)
- Subject Access Request: [Subject Access Request Policy and Procedure](#)
- Both hard copy and electronic data have relevant protections in place.

A Freedom of Information Policy is in place: [Information available from Dittisham Parish Council under the model publication scheme | Dittisham Parish Council](#) and [Freedom of Information Policy](#)

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.