

Narrative Internal Audit Report

to be read in conjunction with the Annual Internal Audit Report in the
Annual Governance and Accountability Return 2025 - 2026

Name of Authority:	SCALFORD PARISH COUNCIL		
Name of Internal Auditor:	DEBORAH ROLFE	Year ending:	31 March 2026
Date audit carried out:	17/04, 30/04, 01/05	Date of report:	1 st MAY 2026

As internal auditor, I confirm that I am independent of your authority and competent as required by the Smaller Authorities Proper Practices Panel (SAPPP) *Practitioners Guide*. I confirm that I have no connection with your authority that will conflict with my role as internal auditor and that I am not involved in any aspect of decision-making, management or control of your authority.

Internal audit is the periodic independent review of an authority's internal controls. This should result in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the authority's internal controls should be a day-to-day function through its staff and management and not left for internal audit. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of an authority to detect error or fraud. This report is based on the evidence made available to me and consequently the report is limited to those matters set out below.

The proper practices referred to in the [Local Audit and Accountability Act 2014](#) and [Accounts and Audit Regulations 2015](#) are set out in the *Practitioners Guide*. This is a guide to the accounting practices to be followed by local councils which sets out the appropriate standard of financial reporting to be followed.

- Section 4.11 of the *Practitioners' Guide* asserts that the personal, financial and professional independence of the appointed person or firm should be reviewed every year.
- Section 4.16 requires that authorities should carry out a review of the effectiveness of their overall internal audit arrangements, at least once each year.
- In addition, section 1.38 specifies that the authority is required to have considered all matters brought to its attention by its external auditor and internal audit and taken corrective action as appropriate.

Failure to take appropriate action may lead to a qualified audit opinion.

This report is addressed to your chair for circulation to all members. It should be considered in a meeting of the full council or parish meeting.



To the Chair of Salford Parish Council

I undertook a review of Salford Parish Council's accounts, records, policies and procedures for the financial year ending 31st March 2026, following which I completed and signed the Annual Internal Audit Report, of the Annual Governance and Accountability Return 2025/26 Form 3.

Through a virtual meeting with the Clerk and by inspection of information publicly accessible via the Council's website, which is easy to navigate and well maintained, I was able to review aspects of the Council's systems including payroll, bank reconciliations, risk management, Council owned assets, budgetary control and the Exercise of Public Rights.

The report and findings are based on the information that was made available during the course of the audit.

To the best of my knowledge, all accounts and bank balances appear to be in order and accurate based on the information to hand, however, this internal audit does not involve the detailed inspection of all records and transactions of the Parish Council in order to detect error or fraud.

With many thanks to Chris, Clerk and RFO, who provided all the documents in a timely manner. I have detailed below my recommendations for 2025/2026.

Reports from internal and external auditors 2024-2025

All smaller authorities	
Have comments from the internal audit 2024-2025 been considered and addressed?	
Comment from internal auditor 2024-2025	Response from internal auditor for this report
Digital and Data Compliance	The new assertion 10 in the Practitioners Guide relating to digital and data compliance will appear on the Annual Governance Statement for 2025/2026. All town and parish councils will need an IT policy and a generic email account hosted on an authority-owned domain. It is not a problem if councils do not comply with all aspects of this new assertion yet, however it is advised that Parish Councils review their responsibilities and implement a Policy before the end of the financial year. It is also suggested that using .gov.uk is best practice and documented in paragraphs 5.210 to 5.219(pages 56 & 57) in March 2024 edition of the NALC JPAG Practitioners Guide. Council and Councillors are recommended to move to a .org or .gov email address. Not completed, although it is noted that the Council uses a .gov.uk email address.
<i>Please add additional boxes as required.</i>	
<i>If the internal auditor had no recommendations or comments, please record None rather than deleting this table.</i>	

Smaller authorities subject to a Limited Assurance Review for 2024-2025	
Have comments from the external audit 2024-2025 been considered and addressed?	
Comment from external auditor 2024-2025	Response from internal auditor for this report
<i>Please add additional boxes as required.</i>	
<i>If the external auditor had no recommendations or comments, please record None rather than deleting this table.</i>	

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Recommendations from internal auditor 2025-2026

All smaller authorities	
Recommendations for action from internal auditor for this report	
Areas for consideration or improvement	Recommendation from internal auditor for this report
FINANCIAL RISK - This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	There is no Financial Risk Assessment and not reviews have taken place. It is a requirement that authorities have prepared and formally adopted, at least once annually, an appropriate and comprehensive register of assessed risks, both regular and ad hoc. There needs to be a review of the effectiveness of internal control carried out by the authority.
DATA COMPLIANCE - The authority complied with laws, regulations & proper practices relating to digital and data compliance.	• Check that website accessibility has been tested, at least annually, and that the accessibility statement has been updated as required. This has not been reviewed since 2020. • Check when the authority last completed a data audit. This has not been completed. It is recommended that the council adopt the Model Publication Scheme. • Ensure the authority has prepared and formally adopted a data protection policy that is reviewed at least once annually. • Ensure the authority has an up to date IT policy in place. It is recommended that the Council adopts an IT Policy.
<i>Please add additional boxes as required.</i> <i>If the internal auditor has no recommendations relating to areas to be considered or improved, please record None rather than deleting this table.</i>	



Annual Internal Audit Report 2025/26

Internal control objective		Explanation if required
A <i>Appropriate accounting records have been properly kept throughout the financial year.</i>	Yes	
B <i>This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.</i>	Yes	
C <i>This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</i>	No	No Risk Assessment in place No reviews have taken place
D <i>The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.</i>	Yes	
E <i>Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.</i>	Yes	
F <i>Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.</i>	Not covered	
G <i>Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.</i>	Yes	
H <i>Asset and investments registers were complete and accurate and properly maintained.</i>	Yes	
I <i>Periodic bank account reconciliations were properly carried out during the year.</i>	Yes	
J <i>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.</i>	Yes	
K <i>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")</i>	Not covered	
L <i>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</i>	Yes	
M <i>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 2024-2025 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).</i>	Yes	
N <i>The authority has complied with the publication regulations for 2024/25 AGAR (see AGAR Page 1 Guidance Notes)</i>	Yes	
O <i>The authority has complied with laws, regulations & proper practices relating to digital and data compliance</i>	No	This has not been tested. No review since 2020. It is recommended that the council gets in touch with their web host and ask them to update. Data Protection Policy Dated 2018 no review has taken place. It is recommended that the council adopt the Model Publication Scheme. No IT Policy in place.
P <i>(For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee</i>	Not applicable	



Section 2 - Accounting Statements 2025/26

	Year ending		Notes and guidance
	31 March 2025 £	31 March 2026 £	
			All figures should be rounded to the nearest £. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.
1. Balances brought forward	49079	47515	Total balances and reserves at the beginning of the year are recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	23000	25000	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	11474	9427	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	7843	9008	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	28194	21794	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	47515	51140	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short-term investments	47515	51140	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long-term investments and assets	170033	170033	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

For Local Councils only

11. Do the figures in the accounting statements above exclude any trust transactions	Yes	For guidance refer to the Practitioners' Guide sections 2.31 to 2.33.
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Yours sincerely,


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 Internal Audit Service
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