INTERNAL AUDIT FOR COATES PARISH COUNCIL.

Report by Mrs Irena Litton BEM Dated 15th February 2026, 8th March 2026 & 31st March 2026.

	Comments and Recommendations
1. Accounting records	Adequately kept on a payments and receipts system. Cashbook is regularly maintained.
2. Payments, Receipts & Budget	A budget for Financial Year 2025/2026 was prepared and minuted. Min Ref 7h 30th January 2025. A copy of the budget is published on the Councils website. Payments are clearly recorded in the Minutes. Receipts are clearly recorded in the Minutes. Spending and Quotes are duly considered in line with the Councils Financial Regulations.
3. Budget vs spend.	The budget vs spend was reviewed in the November 2025 meeting. Min 6i. It was noted that the road initiatives and grass cutting spending was below budget.
4. Bank reconciliations	Bank reconciliations are regularly recorded in the minutes and are verified as part of the internal controls.
5. Investments and Petty Cash	Transfers to the savers account is reviewed regularly. The Council does not hold Petty Cash.
6. Reserves	General Reserves are reasonable (between 9 & 12 months). There is £2,000 allocated to Ear Marked Reserves for Play Ground Maintenance. The Reserves Policy was reviewed in September 2025, Min Ref 11c.

7. Precept	For FY 2025/26 Min Ref 7h, 30th January 2025. The Precept was set at £11,973 and increase of 3.79% per band d property.
8. Asset Register	The Fixed Asset Register was reviewed September 2025. Min Ref: 11c. A copy of the updated Fixed Asset Register is published on the Council's website
9. Insurance	Insurance Cover is with Ansvar. The Council confirmed that the review of cover met its requirements. Min Ref 8f 13th May 2025.
10. Risk Assessment Policy	The Risk Management Policy was reviewed in September 2025, Min Ref 7.11c A copy is published on the Councils Website.
11. Assets Maintained	Reporting of asset maintenance is clearly recorded in the minutes. Examples include Playground equipment, the Village Clock, fencing and replacing a bench.
12. Financial Regulations	Most recent NALC September 2025. Min Ref: 11c A copy of the Financial Regulations are published on the Councils website.
13. Standing Orders	Most recent NALC version were reviewed in September 2025. Min Ref: 11c. A copy of the Standing Orders are published on the Councils website.
14. Powers to Spend	The Council doesn't have the General Power of Competency, however it has used appropriate powers for expenditure.
15. S.137 spending & Grants	Expenditure was within the limits (£11.10 per electorate, for Financial Year 2025/2026). The Council the Grants Awarding Policy in September 2025, Min ref 11c A Memorial Wreath was purchased (November 2025 Min ref 6d)

	A grant for £50 to SW Ambulance Charity (November 2025 Min Ref 6d).
16. VAT	VAT of £124.45 claimed in July 2025 – Min Ref 7f. VAT of £554.01 claimed in October 2025 – Min Ref 6g
17. Borrowing	There are no Loan arrangements.
18. Internal Control	Internal Financial Checks carried out regularly, which are clearly recorded in the minutes.
19. Direct Debits/Regular Payment List	The Council has one direct debit for the ICO. The Council approved this payment method in the May 2025 meeting, Min Ref 8g. (It is noted there has been an increase from £35 to £47).
20. Bank Mandate	The Council reviewed the bank mandate in September 2025 Min Ref 7g. Fiesta Account was closed.
21. Employment	Council is registered with HMRC. There are no new employees. Contract for the Clerk is in place. Salary is paid in line with contract. External Payroll provider (PATA). Annual Pay Award was recorded in the September 2025 minutes. Min Ref: 7e.
22. Pension	The new Clerk declined a Pension (See May 2022 Minutes). Auto Enrolment declaration was completed September 2023 (next due 2026).
23. Councillor Allowances	The Councillors are not paid an allowance.
24. End of Year Accounts	The End of Year Accounts was reviewed and approved in the May 2025 meeting, Min Ref: 8a.
25. AGAR Section 1 Governance Statement	Approved and correctly recorded in the May 2025 meeting, Min Ref: 7b. Copy is published on the Councils website.

26.AGAR Section 2 Accounting Statement	Approved and correctly recorded in the May 2025 Meeting, Min Ref: 7c. Copy is published on the Councils website.
27. a. Internal Audit Report / AGAR b. Internal Audit Report – reviewed and . actions taken. c. Appointment of Internal Auditor for . Financial Year ending 31st March 2026	a. AGAR – correctly recorded in the May 2025 minutes, Min Ref: 7a. A copy is published on Councils website b. Report reviewed and recommended actions have been carried out in the May 2025 meeting, Min Ref: 7a. c. Council approved the appointment of a competent and independent Internal Auditor in the 8th January 2026, Min Ref 8b.
28. External Audit Report / AGAR OR Certificate of Exemption.	Council correctly certified that it is exempt from a limited assurance review, in the May 2025 meeting, Min Ref: 7d. A copy is published on the Councils website.
29. Exercise in Public Rights	The Council complied with the Notice of Exercise in Public Rights. Dates were reported 3rd June – 12th July 2025 in the May 2025 meeting, Min Ref 7e. The dates were incorrect and fell short by 2 days (should have been Tuesday 3rd June – Monday 14th July 2025) **The Council must now tick 'No' Section 4 on the AGAR Governance Statement.** A copy of the notice is published on the Councils website.
30. Policies, Data Security, Information Technology and Model Publication.	The following Policies regarding Data Protection are published on the Councils website: Data Retention, Internal Privacy and Publication Scheme, all reviewed in the September 2025 meeting Min Ref 11c. The Council adopted an IT in the January 2026 meeting. Min Ref: 11b.

	Council has registered with the ICO. Council has a .gov website. Councillors and Clerk also have a .gov email address. **Recommend**: The Council review its Model Publication Scheme (on website under Transparency Code).
31. Accessibility Statement	The website partially complies with the 2018 Accessibility Regulations.
32. Agendas and Summons	Agendas are issued and published within regulations. A copy of the Agenda's are published on the website. Agendas clearly show the appropriate summons.
33. Code of Conduct, DPIs , Members responsibilities and Minutes	Code of Conduct was reviewed in the September 2025 meeting, Min Ref:11c. Minutes clearly record DPIs Members Register of Interests are published on the Councils website. Members responsibilities are published on the Councils website. Minutes are published in draft form on Councils website within 28 days. Minutes are duly signed as a true record.
34. Other Observations.	a. The Council is not a burial authority. b. The Council is not responsible for Managing Trusts. c. The Council is following good practice and has complied with all the previous recommendations and the new requirements as laid out in the Smaller Authorities Proper Practices Panel (SAPPP) Practitioners Guide 2025 – this is highly commendable.

Sampling carried out on the 31st March 2026

Description	Payer	Date	Amount
Precept (receipt)	Cotswold DC	15th April 2025	£8,980.00
VAT Refund (receipt)	HMRC	7th July 2025	£124.45
Asset Maintenance (payment)	British Heart Foundation	1st Dec 2025	£75.00 (VAT £12.50)
Payroll Admin (Payment)	PATA	14th Jul 2025	£20.25
Poppy Wreath(Payment)	Royal British Legion	1st Dec 2025	£29.49 (VAT £4.91)
Grass Cutting provision (Payment)	KP Garden	10th Nov 2025	£306.00 (VAT £51)
PAYE (Payment)	HMRC	18th Jul 2025	£127.60
Insurance	CAS Ltd (Ansvar)	23rd May 2025	£661.98

Additional Documents viewed:

- Clerks contract checked, in the IA for FY 2023/24
- Insurance Schedule with Ansvar.
- 6th November 2025, signed minutes viewed.
- Cashbook viewed (separate column for S.137 payments)
- Bank Statements and copy invoices viewed.
- Copy of Internal Checkers Report viewed.