

Plaistow and Ifold Parish Council- Effectiveness of Internal Controls Governance Statement 25-26 AGAR3

This document provides the evidence base to enable the Parish Council to correctly determine whether it has had the proper controls in place for the financial year. The internal control elements have been extracted from the Annual Governance Statement, section 1 of the Annual Governance and Accountability Return (AGAR). In determining the evidence in place for the internal control elements, the Practitioners' Guide to Proper Practices, issued in March 2024 by the Joint Panel on Accountability & Governance, was followed.

	Internal Control Element	“Yes” Means	PC answer	Evidence base
1	We have put in place arrangements for effective financial management during the year, and for the preparation of accounting statements.	Prepared its accounting statements in accordance with the Accounts and Audit Regulations		The Parish Council approves its budget and determines the precept on an annual basis at the January meetings. When approving the budget, the level of general reserves held is considered, in conjunction with the forward financial plan. At each meeting, the Parish Council receives a financial statement which shows the up to date financial position and a comparison of spending against the budget set is reviewed at quarterly finance committee meetings. If required, action is taken. The Clerk is the Responsible Financial Officer (RFO). She has put in place effective systems of internal financial controls to ensure that all financial transactions are accurately and promptly recorded in the electronic cashbook. Cashbook entries are properly supported and are the basis of the financial monitoring during the year, and the production of the financial statements. Bank reconciliations are prepared promptly each month and reviewed and signed monthly by Cllrs following the Full Council meeting. An investment strategy review was undertaken in February 2025. Earmarked reserves are maintained to support projects and smooth the peaks and troughs of non-routine maintenance work when required. Internal Audit concluded that these controls were in place during their review for 2025/26.
2	We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.		The Parish Council has up to date Standing Orders (SO's), based on the revised national model 2025, which was reviewed and updated by Full Council in May 2025 Minute ref. P/25/53. Following the publication of the revised national model Financial Regulations (FR's) in 2024, the Parish Council reviewed and approved new FR's on the September 2024 (Ref C/103/2024) and readopted in May 2025 (Ref. P/25/53). These documents are available on the Parish Council's website. The RFO has put in place effective systems of internal financial controls. All income is directly

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				<p>credited to the bank account. Online banking is operational and the Parish Council approved the authorised signatories – Cllrs only. Clerk can only set up online payments which are authorised by one signatories following review of scanned documentation. There is a debit card and no petty cash. The debit Card: Policy restricts the use of the debit card and this is reviewed annually by the Parish Council and monitored monthly. The Clerk is the only employee and she is properly paid, and all other employment duties have been complied with. Arrangements for VAT are in place. VAT paid is only included in the reclaim if it is supported by a VAT invoice. VAT reclaim for 2025/26 was submitted quarterly in good time. The Parish Council has a fixed asset register. Asset values are a mix of actual cost, where known, and a proxy cost for older assets. Assets are properly maintained, and asset audits are carried out annually and reviewed with the risk assessments. No assets have been sold in the current year. The Parish Council has a PWLB loan for which the annual repayments are included in the precept. The loan was for the Lady Hope Play Area refurbishment and was arranged in August 2021 for 40,000 for 5 years the last repayment occurring in 2026/27. This document is the review of effectiveness of internal controls that is required. Internal Audit concluded that these controls were in place during their review for 2025/26</p>
3	<p>We took all reasonable steps to assure ourselves that there are no matters of actual or potential noncompliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.</p>	<p>Has only done what it has the legal power to do and has complied with Proper Practices in doing so.</p>		<p>The Parish Council is controlled by statute and can only make decisions if it has the power to do so. The power available to a Parish Council are as dictated by the General Power of Competence legislation. The GPoC is reviewed for eligibility at the Annual Parish Council meeting and adopted at the meeting for the year ahead. Decisions, including financial decisions, were made in accordance with this power.</p>

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4	We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	During the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.		This relates to 2024/25 financial year. The public inspection period was the 2nd June to the 14th July 2025, and this complied with the requirements of the Accounts and Audit Regulations 2015. In addition, in accordance with the Regulations, the approved draft annual return, subject to audit, was published on the 2nd June 2025. The conclusion of the audit was properly notified, following the receipt of the audited annual return. The audited return was published in conjunction with the notice of conclusion of audit on the 23rd July 2025 and was received by the Parish Council at its meeting on the 9 th September 2025 Minute ref P/25/93.
5	We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	Considered and documented the financial and other risks it faces and dealt with them properly.		A risk register is maintained. Risks facing the Parish Council are assessed on an annual basis and the assessment includes, for the risks identified, the controls in place to manage that risk or the action required to mitigate the risk. In effect, the risk assessment considered by the Parish Council at its meeting on the 11 th February 2026 relates to the current financial year of 2026/27. The risk for 25/26 was considered at the Meeting held on 12 th February 2025 minute reference C/19/2025
6	We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.		The Parish Council's Internal Audit (IA) function is provided by April Skies Accounting Ltd. This company has been in existence since 2022 and uses a qualified consultant to undertake internal audits. It is independent from the Parish Council's financial decision making. Given the size of the Parish Council, an annual IA review is undertaken which covers the whole financial year with the Clerk providing all documentation and explanations requested to facilitate the review. The review undertaken during the year was undertaken remotely during January and April 2026, relating to the 2025/26 financial year, and the conclusion was that the Parish Council had maintained effective internal control arrangements.
7	We took appropriate action on all matters raised in reports from	Responded to matters brought to its attention by internal and external audit.		The Internal Audit was considered at the Full Council meeting on 16 th April 25 Ref C/43/2025 and the actions noted and completed. The External Audit was considered at the Full Council meeting on 9 th September 25 Ref P/25/93 with no matters raised.

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	internal and external audit.			
8	We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the authority and, where appropriate, have included them in the accounting statements	Disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.		The Parish Council has disclosed everything it is required to do so in its financial statements. There have been no events taking place after the year end which impact on the financial position reported in the financial statements.
9	Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts		Income Nil and Expenses Nil. Meetings minuted are carried out twice yearly (April and November) to discharge maintenance responsibilities and to approve Charity return Submission to Charity Commission.
10	The Parish Council complies with UK GDPR and the Data Protection Act 2018	<ul style="list-style-type: none"> • Process personal data lawfully, fairly, and transparently • Understand and manage their roles as Data Controller and Data Processor 		<p>For 2025/26, councils will need to demonstrate:</p> <ul style="list-style-type: none"> • A current data audit- Reviewed Feb 26 • Up-to-date data protection policies- Readopted Feb 26 • Evidence of staff and councillor training- GDPR training document to be signed. • Clear data retention and deletion practices- Document retention Policy readopted Feb 25 • Secure, council-controlled email and accessible website infrastructure- yes

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		<ul style="list-style-type: none">• Maintain appropriate policies, audits, training, and risk assessments• Use a council-owned email domain and maintain an accessible website (moved from Assertion 3)		
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