Parish and Town Auditing Services
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Caroline White
Broad Town Parish Council

9th May 2025

Dear Caroline,

Broad Town Parish Council End of Year Audit May 2025

Parish & Parish Auditing Services have been appointed to undertake the internal audit for Broad Town Parish Council. The End of Year audit was completed on 6th May 2025.

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 Section 4 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 by the Audit Practices Board 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.

Thank you for all the information you have provided. I would be grateful if you could present this report at the next available meeting of Full Council.

Yours sincerely,



Paul Russell, Internal Auditor

A. Appropriate accounting records have been properly kept throughout the financial year.

The Council maintains its financial records using an Excel spreadsheet. The internal audit has confirmed that income and expenditure balances to the cashbook and is reconciled to the bank statements on a regular basis. During the review it has been confirmed that there is a clear audit trail from the accounts to supporting documentation such as invoices.

The opening balances in the cashbook agreed back to the 2023/24 accounts. Bank reconciliations are undertaken monthly and reconciliations are presented to Council, minuted and signed off by a Councillor. A sample of invoices have been inspected against the accounts for payment. No material differences were identified.

The accuracy of the year-end bank reconciliation details has been verified and accurate disclosure of the combined cash and bank balances have been stated in the AGAR, section 2, line 8.

I am satisfied that this control objective has been met.

B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

Standing Orders and Financial Regulations are based on older versions of the NALC templates. Note that new Financial Regulations have been published by NALC following the enactment of the Procurement Act 2023. The Standing Orders NALC model has also been updated.

Recommend that both documents are reviewed, updated, approved and uploaded onto the new website. In particular it is recommended that Council updates Section 18 of its Standing Orders to reflect the new Procurement Act 2023 and the ensure both Standing Orders and Financial Regulation limits match.

Please note that from 24th February 2025, both above and below threshold notices for new UK procurements will need to be published on Find a Tender: Find a Tender

All other payments under Box 6 of the AGAR has decreased from £12,115 to £8,340.

A sample test has been undertaken and the following is confirmed:

- Payment agreed to the invoice.
- A sample of Payments have been checked against the bank statements to verify accuracy.
- Expenditure is appropriate.

The Council does not currently have a debit or credit card in place.

The Council is not registered for VAT and has submits a VAT claim on an annual basis to HMRC. It's previous claim of £767.67 has been received.

The Council has met the requirements of 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 is insured with Zurich on a standard local council package for employer liability and pubic liability. Adequate cover is provided and the policy was in date at time of audit.

The Council has a Risk Management Policy in place.

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

Council had initial balances of £17,681 at the beginning of the year and these have increased to £35,707.

End of year bank balances are as follows:

ACCOUNT	AMOUNT
Current Account	£185.55
Community Account	£20,304.65
Commercial Account	£15,216.70
AGAR Total	£35,706.90

Council has Earmarked Reserves in place and Council reviews these regularly.

The precept for 2024/25 was approved at the Full Council meeting on 8th January 2024 (minute 24/20)

Budget Monitoring reports are reviewed by the Full Council as part of the financial information presented.

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.

Precept as stated in box 2 was £10,146. This was paid in two tranches of £5,073. This has been agreed to third party documentation provided by central government.

Income per box 3 to the accounts was £20,389, an increase of £19,320 from income received in 2023/24 of £1,069. An explanation regarding this variance will be required by the external audit.

A sample has been tested during the year from the cashbook. The transactions were selected randomly and included items from each month of the 2024/25 financial year. No material differences were identified.

The Council has met this control objective.

F – Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.

The Council does not operate a petty cash account. **Not Covered.**

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.

Staff costs per box 4 to the accounts were £4,170 compared to the previous year of £3,489.

I confirmed that the accounts only include payments relating to employment of staff in box 4.

A sample of payroll was reviewed. I am satisfied that gross pay was calculated correctly and all payments to HMRC have been submitted.

The Council has met this control objective.

H - Asset and investments registers were complete and accurate and properly maintained.

The asset register has been reviewed and updated to include purchases during the year. The Fixed Assets box 9 stated £15,018 for 2023/24 and has increased to £15,447.

The Council has met this control objective.

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

The Council has no outstanding loans.

All the Bank Accounts are reconciled promptly on a monthly basis. This was verified by reviewing the bank reconciliation file.

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.

Broad Town Parish Council prepares its annual accounts on an receipts and payments basis as required as it has a turnover of less than £200,000 per annum

The Council has met this control objective.

K: If the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered").*

The Council certified itself as exempt at a meeting of the authority in April 2024. It has completed Certificate of Exemption which was submitted to the external auditor.

The Council has met this control objective.

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

Smaller authorities must publish various documents on a publicly available website as required by the Accounts and Audit Regulations 2015, the Local Audit (Smaller Authorities) Regulations 2015 and the Transparency Code for Smaller Authorities. These include:

- Certificate of Exemption (signed and published);
- Annual Internal Audit Report (published)
- Section 1 – Annual Governance Statement (published);
- Section 2 – Accounting Statements (published)
- Analysis of variances (not published)
- Bank reconciliation (published as part of the excel spreadsheet)
- Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015.

Recommend that the analysis of variations is also 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 2024-25 AGAR period, were public rights in relation to the 2023-24 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).*

The Council published Sections 1 & 2 of the AGAR and the internal audit report.

The Public Notice is published on the Council's noticeboards. Dates were 12th June to 23rd July 2024 and this meets the 30 statutory days notice requirement.

The Council has met this control objective.

N: The authority has complied with the publication requirements for 2023/24 AGAR *(see AGAR Page 1 Guidance Notes)*

The Council has published AGAR documentation for the previous 5 years as required by the regulations. Documentation goes back to 2018/19.

The Council has met this control objective.

O – (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.

The Council is not a sole trustee. Not applicable.