



Ms Caroline White
Clerk to the Council
Broad Town Parish Council

4th May 2026

Dear Caroline,

INTERNAL AUDIT 2026

Parish & Town Auditing Services have been appointed to undertake the internal audits at Broad Town Parish Council. The annual internal audit for 2025/26 financial year was completed on 4th 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.

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 Parish Clerk has been appointed as the RFO (LGA1972 s151).

The roll over figure from the 2024/25 financial year is £35,707 (Box 7).

The Council maintains its accounts using an excel spreadsheet. 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 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 proper 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.

A list of invoices for payment is presented to Full Council for payment as part of the agenda and is uploaded onto the website as part of the meeting papers. Approvals are minuted in the Council minutes and payment is via online banking.

The Council has a Financial Risk assessment in place ([Risk-Assessment-March-2026.pdf](#))

Bank reconciliations are prepared monthly, presented to Full Council as part of the financial papers and signed off by Council.

There is appropriate segregation in place and a robust process to enable the detection and identification of potential fraud.

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 £28,152.41 as at 31st March 2026

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.

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. The Council has not tendered for any works this financial year.

Standing Orders were updated on 11th August 2025 (Minute No 25/107.1). Financial Regulations were updated on 11th August 2025 (Minute No 25/107.2). The limits between the two documents match.

The invoices procedure is as follows:

- On receipt reviewed for accuracy and date stamped;
- Invoices are coded to the correct cost centre;
- Invoices are printed, filed and saved electronically;
- Invoices are recorded in the cashbook;
- Payment schedule presented at each meeting for approval/ratification;
- Payments are uploaded into the banking app by the RFO;
- All payments are authorised by a Councillor;
- A second Councillor reconciles statements with cashbook on a quarterly basis.

There is appropriate segregation in place.

VAT is normally claimed annually. The claim for 2025/26 amounting to £842.55 has been submitted. This has been cross referenced against the cash book. The VAT claim for 2024/25 of £965.84 was received in June.

The Council does not have a credit card in place.

The Council does not have 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 Strategy in place and this is reviewed on a regular basis.

An Asset Register is in place and is updated annually. A copy of the updated Asset register can be found on the website. Two additions have been made in 2025/26, a shelter (£100) and a Storage Container (£1,600). Value of assets at the end of the 2026 Financial year amounted to £17,552.12.

The Council is insured through Zurich. Policy number YLL- 2720278713. Cover commenced on 1st June 2025 and runs until 31st May 2026.

A review of the insurance policy has been undertaken and Council is adequately insured. It includes a fidelity guarantee of £25,000, public liability (£10 million), Hirer's Liability (£2 million), employers liability (£10 million) and Libel & Slander (£250k).

The Council is responsible for a play area and carries out an annual independent inspection. One item was highlighted as moderate risk, the rest were low risk. Additional inspections of the play area are undertaken.

The Council has adequate internal controls 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.

At its meeting held on 13th January 2025 Full Council formally approved the budget and the setting of a precept. (Minute 25/10)

25/10 PRECEPT REQUEST 2025/26

Following approval of the budget, members are requested to agree and approve the Precept request for 2025/26 Proposed by Councillor Morley, Seconded by Councillor Hartley and UNANIMOUSLY APPROVED Action: Clerk to submit Precept Request to WC before 20th January deadline.

Recommend that the amount of precept being requested is included in the resolution.

It has been confirmed that a precept of £10,787 was requested. (MHCLG Parish Code E3902P035)

Budget monitoring is undertaken at each Full Council meeting. The budget monitoring report is uploaded onto the website as part of the financial papers.

The Council reviews its income and expenditure against the budget. Earmarked Reserves are transferred during the year to offset specific expenditure agreed by Council.

The Council has set up Earmarked Reserves and these are reviewed at budget setting time.

The Council has an adequate General Reserve to meet the recommendations in place, with specific allocated EMRs also in place.

The Council had the following Bank Statement Balances as at 31st March 2026:

ACCOUNT	AMOUNT
Lloyds Community A/C	£94.99
Capital Projects A/C	£14,856.94
Community Fund	£13,200.41
TOTAL	£28,152.41

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 has no aged debtors.

The Council does not have any leases in place.

Council's other income for 2025/26 is bank interest only.

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 receive any cash payments during the financial 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.

The Clerk has a contract in place. A copy of the contract has been provided. It is based on the NALC/SLCC template.

Members do not receive a members' allowance but can claim expenses. Expenses are reclaimed using an official form.

A sample of staff 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.

Payroll is undertaken using the HMRC payroll tool. Appropriate payslips are generated.

Pay slips have been reviewed and it has been confirmed that tax is properly deducted.

No pension contributions have been made.

No National Insurance contributions have been deducted. Out of scope.

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 and has been reviewed. Asset purchase cost is recorded, date of purchase and additional information is included where appropriate. The asset value has been correctly recorded in box 9 of the AGAR (Box 9: £17,552)

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

Council has no long-term investments in place.

Council has no loans in place.

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. Bank reconciliations are uploaded onto the website.

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, agreed 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 annually \(BTPC-Payments-over-100-2024-25.docx\)](#)

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 11th June to 22th July 2025. This meets the statutory 30 day requirement.

The Council formally minute the public notice at the meeting where the AGAR was approved on 9th June 2025. **Recommend that the public notice dates are recorded and minuted.**

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 meets best practice advice by having a .org.uk domain for its website and emails. The Clerk has an official .org.uk email address.

The Council is in the process of adopting an IT policy (May 2026)

The Council has an Accessibility Statement published on its website. ([Accessibility Statement – Broad Town 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 Broad Town Parish Council website does comply with WCAG 2.2 AA. It achieves 88% in the accessibility test: [Scan Results — ComplaScan](#)

Accessibility has been reviewed and the parish council section of the website scores 9.9 out of 10. [WAVE Report of Your Parish Council – Broad Town Parish Council](#)

Data Protection requirements:

- Data Protection Officer – Parish Clerk is Data Protection Lead
- Data Audit: A Data audit is in the process of being undertaken
- Training for staff and Councillors: in the process of being undertaken
- Data Protection Policy: In the process of being adopted.
- Secure data to protect it from Data Breaches: In the process of being adopted.

The Council has the following Data Protection Policies in place:

- Privacy Policy: [Privacy Policy – Broad Town Parish Council](#)

Council will need to ensure that the following requirements are met:

- Undertake a data audit and present to Council for adoption
- Adopt a Data Protection Policy
- Adopt a Data Retention Policy
- Ensure Council is registered with the ICO
- Adopt a Subject Access Request procedure
- Organise GDPR training for staff and councillors;
- Ensure that both hard copy and electronic data have relevant protections in place. For hard copy records this will be identified by the audit. For electronic

data it is recommended that your IT provider outlines what protections are in place, how often data is backed up and how it is stored. Ensure that all computers have some level of virus protection.

A Freedom of Information Policy is in place: [Transparency Code, Register of Interests and Freedom Of Information – Broad Town Parish Council](#)

The Council meets the Smaller Councils Transparency Code as required.

The Council meets 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.