

Interim Internal Audit Report for Woodbridge Town Council for the year ending 31 March 2026

Clerk	Greg Diaper	
RFO (if different)	-	
Chairperson	Councillor Nigel Phipps	
Precept	As at 30.09.2025	£555,624
Income	As at 30.09.2025	£612,628
Expenditure	As at 30.09.2025	£235,354
General reserves	As at 30.09.2025	£453,233
Earmarked reserves	As at 30.09.2025	£586,033
Audit type	Interim – non exempt authority	
Auditor name	Victoria Waples	

Introduction

The primary objective of internal audit is to review, appraise and report upon the adequacy of internal control systems operating throughout the council. To achieve this SALC adopt a predominantly systems-based approach to audit.

The council's internal control system comprises the whole network of systems established within the council to provide reasonable assurance that the council's objectives will be achieved, with reference to:

- the effectiveness of operations
- the economic and efficient use of resources
- compliance with applicable policies, procedures, laws, and regulations
- the safeguarding of assets and interests from losses of all kinds, including those arising from fraud, irregularity, and corruption

- the integrity and reliability of information, accounts, and data

Methodology

When conducting the audit, the internal auditor may:

- conduct a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year in order to be able to complete the Annual Internal Audit Report 2025/26 of the Annual Governance and Accountability Return (AGAR)
- review the reliability and integrity of financial information and the means used to identify, measure, classify and report such information
- review the means of safeguarding assets and, as appropriate, verify the existence of such assets
- appraise the economy and efficiency with which resources are employed, identify opportunities to improve performance and recommend solutions to problems
- review the established systems to ensure compliance with those policies, procedures, laws, and regulations which could have a significant impact on operations, and determine whether the council complies
- review the operations and activities to ascertain whether results are consistent with objectives and whether they are being conducted as planned

Section 1 – proper bookkeeping		
The internal auditor will look at the methods and processes used to manage the council's accounts and in particular that it provides clear data for reporting and monitoring purposes. This includes checking information is accurate, kept up to date, referenced and verified.		
Evidence		<i>Internal auditor commentary</i>
<i>Is the ledger maintained and up to date?</i>	Yes	The council continues with it's of the Omega Financial Software accounting package which produces a suite of tools to allow for reporting on an Income and Expenditure basis. The software is cloud based allowing for the software to be accessed via a browser with centrally managed back-ups and upgrades thereby adding an extra layer of encryption and security measures.
<i>Is the ledger on the correct basis in relation to the gross income/expenditure?</i>	Yes	Council operates on an Income and Expenditure accounting processes and understands that the accounting statements will include all of the transactions for the year where the council has received economic benefits or given other economic benefits irrespective of the year in which they are paid.
<i>Is the cash book up to date and regularly verified?</i>	Yes	The cashbook is reconciled on a monthly basis, regularly verified against bank statements and contains entries from day to day of all sums of money received and expended by the council along with matters to which the income and expenditure relates.
<i>Is the arithmetic correct?</i>	Yes	Spot checks were made and were found to be correct.
Additional comments:		

Section 2 – Financial Regulation and Standing Orders		
The internal auditor will check the date the Council conducted its annual review of both Standing Orders and Financial Regulations and in particular check if these are based on NALC'S latest model which include legislative changes.		
Evidence		<i>Internal auditor commentary</i>
Have Standing Orders been adopted, up to date and reviewed annually?	Yes	The Standing Orders, as seen on the Parish Council's website show an adopted date of 21 st May 2025 and are based on the latest model published

		by the National Association of Local Councils (2025) with appropriate amendments. Council shows awareness of the requirement to ensure that its Standing Orders are fully tailored to the council and that in accordance with proper practices they are regularly reviewed, fit for purpose and adhered to.
Are Financial Regulations up to date and reviewed annually?	Yes	Council's Financial Regulations were also reviewed and amended at the annual meeting of 21 st May 2025 and reflect changes to the Model Financial Orders as produced by NALC in March of this year relating to changes necessitated by the Procurement Act 2023.
Has the Council properly tailored the Financial Regulations?	Yes	The Council's Financial Regulations have been tailored to the Parish Council. <i>Comment: council should be aware that square brackets indicate where the council needs to specify who, or how much, or what the timescale is. Council is advised to ensure that once adopted, the square brackets are then removed.</i>
Has the Council appointed a Responsible Financial Officer (RFO)? ¹	Yes	In accordance with Section 151 of the Local Government Act 1972(d) (financial administration), the Council has appointed a person (the Clerk) to be responsible for the administration of the financial affairs of the relevant authority. This was confirmed at the meeting of 5 th October 2021 and is also reflected under Financial Regulation 1.5.
<i>Additional comments:</i>		

Section 3 – Payment controls

The internal auditor will specifically check bank reconciliation including credit/debit cards and management approval processes and evidence that internal Financial Regulations (FO) are being followed. The internal auditor will examine how regular payments are managed and specifically seek evidence that these have been brought back to the Council for verification purposes especially where the actual payment made differs from the amount previously agreed. VAT should be clearly identified including evidence that claims have been correctly managed. The internal auditor will check if the Council has a clear understanding on eligibility in relation to the General Power of Competence and that s.137 has been correctly applied and managed.

¹ Section 151 Local Government Act 1972 (d)

Evidence		Internal auditor commentary
Is there supporting paperwork for payments with appropriate authorisation?	Yes	<p>In accordance with its own Financial Regulations covering procurement, expenditure is presented to Council on a monthly basis for review and authorisation for payment is made by resolution. Council has ensured that, for the settlement of its invoices by the BACS system, and in accordance with Financial Regulation 7.1, there is a two-tier authorisation system which ensures that the instructions for each payment are signed, or otherwise evidenced, by two authorised bank signatories. A review of the procedures followed for receipt of invoices, agreement of invoice detail and confirmation of goods or services delivery along with approval for payments was undertaken on a sample of individual payments. In the actions undertaken in committing the council's resources, Council is operating within Financial Regulations 7.1 through to 7.12.</p> <p>A further spot check of items paid via the Direct Debit system from the council's accounts were cross checked against cashbook, bank statements and invoices. All were found to be in order. A spot check of payments made under contractual terms were further analysed and all were found to be in accordance with agreed schedules and sums approved.</p> <p>Spot checks were carried out on the Corporate Credit Card Statements for the period under review and statements were interrogated to ensure a clear audit trail from point of purchase to allocation on the statement.</p> <p>For the period under review, one tender process took place for the Fen Meadow Play Area. The project was advertised on the Contracts Finder website although clarification has been given that Council is aware that this should have been advertised on the Find a Tender portal. The awarding of the contract has still to take place.</p>
Where applicable, are internet banking transactions properly recorded and approved?	Yes	<p>Council continues with its procedure, in accordance with Council's Financial Regulations 7.4 - 7.5 and 7.14 of retaining a two-tier security system for payments which are settled by the BACS system. In the case of BACS payments, once the accounts for payment are approved by the nominated signatories, the Town Clerk or their nominated deputy along with the nominated second signatory of the Mayor or Chair of Finance (or their deputies in their absence) shall authorise the transactions online using their</p>

		<p>own unique ID. The system ensures that the instructions for each payment are signed by two authorised bank signatories.</p> <p><i>Comment: the system in place not only protects the RFO and fulfils an internal control objective to ensure the safeguarding of public money, but it also allows the council to have in place specific control procedures for payments by bank transfer or other electronic means and a process and mitigating action to protect the council against payment of invoices which may show fraudulent bank account details.</i></p> <p>Council is aware that in accordance with Financial Regulation 7.9, the use of payments to be made by BACS is provided by section 7.9 of the 2025 Financial Regulations. Council last reviewed its Financial Regulations, based on the 2025 version in May 2025.</p> <p>At the same meeting, by reference to Financial Regulations 7.8 and 7.10 Council agreed the use of variable direct debit and standing order where appropriate.</p>
<p>Is VAT correctly identified, recorded, and claimed within time limits?</p>	<p>Yes</p>	<p>VAT is identified within the Omega Accounting system with reclaims submitted at agreed intervals. The reclaim for Quarter 1 in the sum of £17,480.79 was submitted in July 2025 and settled in the same month. The reclaim for Quarter 2 in the sum of £4,809.49 was submitted on 10th October 2025 with proof of receipt dated as 13th October 2025. The VAT control account for the period-end (30th September 2025) stands at £4,809.49 and has been correctly recorded within the Council's balance sheet.</p>
<p>Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly?²</p>	<p>Yes</p>	<p>Council, having declared that it fulfilled the eligibility criteria to use the general power of competence (at least two-thirds elected members and a qualified Clerk (CiLCA or higher)), resolved at the meeting of 16th May 2023, to use the power until the next relevant Annual Council Meeting (May 2027). Council operates a Grant Scheme offered by the Council which has clear evidence supporting requests and payments made. Payments incurred under this category totalled £4,100 for the period under review. The website contains details of prior year grants awarded to non-profit making organisations, charitable groups and voluntary community groups that that contribute to the well-being of Woodbridge or promote the image of the Town.</p>

² Localism Act

		<i>Comment: The Local Government Transparency Code 2015 requires all Parish Councils to publish data if they have a gross annual income or expenditure exceeding £200,000. The Code specifies how frequently data is to be published, be it quarterly, annually or once only, but in many cases encourages more frequent publication. Section 42 provides clarity on the manner in which this information should be produced whilst section 43 details the information that must be published as a minimum: date the grant was awarded; time period for which the grant has been given; local authority department which awarded the grant; beneficiary; beneficiary's registration number (if applicable) summary of the purpose of the grant, and amount.</i>
Are payments under s.137 ³ separately recorded, minuted and is there evidence of direct benefit to electorate?	N/A	Council uses the discretionary power to do anything that an individual can do unless specifically prohibited by law.
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	N/A	
Additional comments:		

Section 4 – Risk management		
The internal auditor will expect to find evidence of the management of risks from identification of what those are for each individual Council through to how these will be managed and the controls in place to mitigate these and that these have been approved by the Council.		
Evidence	Internal auditor commentary	
<i>Is there evidence of risk assessment documentation?</i>	Yes	At the meeting of 9 th September 2024, full council formally reviewed and approved its Risk Management Scheme. Council is aware that its risk assessment needs to focus on the safety of the parish council's assets and

³ Section 137 of the Local Government Act 1972 ("the 1972 Act") enables local councils to spend a limited amount of money for purposes for which they have no other specific statutory expenditure. The basic power is for a local council to spend money (subject to the statutory limit – of £11.10 per elector) on purposes for the direct benefit of its area, or part of its area, or all or some of its inhabitants.

		<p>in particular its money, it needs to demonstrate on an annual basis that it has taken actions to identify and assess those risks and that it has considered what actions or decisions it needs to take during the year to manage in order to avoid financial or reputational consequences. Under the scheme, full Council will be reviewing those risks identified as red on a quarterly basis, medium risks on a six-monthly basis and green risks on an annual basis.</p> <p><i>Comment: the Risk Management Scheme makes reference to the Practitioners' Guide 2022, and in particular sections 5.88, 5.90 and 5.92. Council might wish to revise the references to the most recent guide: Practitioners' Guide 2025</i></p>
<p><i>Is there evidence that risks are being identified and managed?</i></p>	<p>Yes</p>	<p>Council continues to ensure that it acts within the sphere of the controls as set out in the Risk Register and has demonstrated that in accordance with Proper Practices and with reference to the Accounts and Audit Regulations 2015, it has in place safe and efficient arrangements to allow continuous improvement of the safeguarding of the council's assets and concerns.</p>
<p><i>Does the Council have appropriate and adequate insurance cover in place for employment, public liability and fidelity guarantee and has been reviewed on an annual basis?</i></p>	<p><i>Review required</i></p>	<p>During the period under review, council had insurance in place under a Select for Local Councils policy with Zurich Municipal (Zurich Insurance Company Ltd) which shows core cover for the following: Public liability: £15million; Products Liability: £10million; Employers Liability: £10million; Hirers' Liability £2million; Business Interruption (on all twelve premises) and Fidelity Guarantee of £1million. Insurance cover is also in place for twelve (12) premises as identified within the schedule. At renewal, council (November 2024) was in a long-term agreement active until 1st November 2026.</p> <p>Recommendation: whilst council followed guidance which recommended that the Fidelity Cover should be sufficient to provide cover that was equal to at least the sum of the year-end balances plus 50% of the precept/grants to be received in the following April/May, given the council's current bank balances it is advised to review the level of cover prior to renewal of the council's insurance later this month. The council's exposure to the risks associated with the handling of money, securities and property should be part of the quarterly risk assessments undertaken by the council.</p>

		<p>During the year, being aware that it is the responsibility of the Council as a whole to satisfy itself that insurances are adequate and that all steps have been taken to mitigate and manage identified risks with appropriate insurance, annual reviews of the council's insurance were undertaken prior to renewal. The minutes of full council of 21st May 2025 confirmed that noted the current position regarding arrangements for insurance cover in respect of all insurable risks.</p> <p><i>Comment: whilst council is able to demonstrate that it has reviewed the risks facing the council in transacting its business and has taken out appropriate insurance to manage and reduce the risks relating to property, cash and legal liability (amongst other things), it should seek to satisfy itself on a regular basis that there are no materials facts which might influence the acceptance or assessment of the risks covered by the policy.</i></p>
<i>Evidence that internal controls are documented and regularly reviewed⁴</i>	Yes	<p>The Town Council has an adopted Internal Control Statement which covers the purpose of the system of internal control; the personnel involved with the internal control regime, internal and external audit remit, review of effectiveness of internal control along with an action plan to address issues raised within the internal control process.</p> <p><i>Comment: in accordance with its adopted Internal Control Statement, the Town Council reviews its statement of internal control on an annual basis with the minutes demonstrating that a formal review has been undertaken.</i></p>
<i>Evidence that a review of the effectiveness of internal audit was conducted during the year, including consideration of the independence and competence of the internal auditor prior to their appointment⁵</i>	Yes	<p>At the meeting of 21st May 2025, having reviewed the effectiveness of the internal audit process, members agreed to retain the existing process. It was further resolved that the council agreed to be audited internally twice per year.</p>
Additional comments:		

⁴ Accounts and Audit Regulations

⁵ Practitioners Guide

Section 5 – Budgetary controls		
The internal auditor will seek verification that budgets are properly prepared, agreed and monitored. In particular they will look for evidence of good practice in that the key stages of the budgetary process have been followed		
Evidence		Internal auditor commentary
<i>Verify that budget has been properly prepared and agreed</i>	Yes	The revenue budget for the year 2025 - 2026 in the sum of £785,118 was approved at the council meeting of 22 nd January 2025 with members noting that this would be funded from known income streams and the precept. <i>Comment: in accordance with proper practices, council continues to evidence, within the minutes, the actual budget being set alongside the reasoning for such a budget thereby ensuring transparency in the budgetary process followed by the council.</i>
<i>Verify that the precept amount has been agreed in full Council and clearly minuted</i>		The precept for the year 2025 – 2026 was discussed and approved at the meeting of 22 nd January 2025 and set at £555,642. The minutes show that, taking into account movement in the tax base, this would represent a 7.2% (10.59 per year or £0.20 per week) change to the Band D Council Tax dwelling over that set for the previous year.
<i>Regular reporting of expenditure and variances from budget</i>	Yes	The minutes evidence that Full Council undertakes regular reviews covering the budget for the current year with a review of income and expenditure against budget at relevant periods throughout the year. Monitoring statements produced include breakdown of all receipts and payments balance against the bank. <i>Comment: Council, in accordance with its own standing order 17c, produces regular statements showing evidence of comparisons between budgeted and actual income and expenditure to form the basis of approval for virements in accordance with council's own Standing Orders and Terms of Reference. Council continues with the practice of ensuring that virements between budgets are considered by the Finance and Governance Committee and recommended for approval to the Town Council as and when they arise, subject to Financial Regulation 5.15 which states that “No expenditure may be authorised that will exceed the budget for that type of expenditure other than by resolution of the council or a duly delegated committee acting within its Terms of Reference except in an emergency.”</i>

<p><i>Reserves held – general and earmarked⁶</i></p>	<p>Yes</p>	<p>The Council, at period-end, had Earmarked Reserves totalling £586,033 and General Reserves of £453,233.</p> <p>Council has, within its own Reserve Policy, (as adopted by the Full Council Committee in July 2025) set a limit to be held for its general reserve which will be based upon a risk assessment carried out by the RFO on an annual basis and used to form the basis for the budget for the forthcoming year. Council is aware that this will be subject to further reviews to include cash flow requirements, inflationary and interest rates, diversification of funds to spread risk and optimize interest returns prior to year-end adjustments to maintain the prescribed level. The adopted policy shows that a level of general reserves to be maintained will be a minimum of £90,000 and can be used if one of the identified risks assessed in setting the General Reserve materialises</p> <p><i>Comment: Council is aware of the guidance as issued by Proper Practices (March 2025) which states that it is regarded as acceptable for a council's general (non-earmarked revenue) reserves to be maintained at between three and twelve months of Net Revenue Expenditure and that it should ensure that the level of general reserves adopted is in accordance with its general reserve policy.</i></p> <p>Whilst there is no upper or lower limit to EMRs save only that they must be held for genuine and identifiable purposes and projects, and their level should be subject to regular review and justification (at least annually and at budget setting) Council has ensure that they are separately identified and enumerated and that they are held for genuine and intended purposes and their level is subject to regular review and justification.</p>
<p>Additional comments:</p>		

⁶ In accordance with proper practices, the generally accepted minimum level of a Smaller Authority's General Reserve is that this should be maintained at between three (3) and twelve (12) months of Net Revenue Expenditure

Section 6 – income controls		
The internal auditor will seek evidence to ensure income is correct managed – recorded, banked, and reported and test mechanisms used to achieve this.		
Evidence		Internal auditor commentary
<i>Is income properly recorded and promptly banked?</i>	Yes	Income is recorded in accordance with Council's Financial Regulations. A sample of receipts was checked against cash book and bank statement. All were found to be in order and recorded in accordance with Proper Practices. The RFO has ensured that the accounting records contain all day-to-day entries of all sums of money received. It is confirmed that rental charges for the period 1 st April 2025 to 31 st March 2026 were reviewed at the Finance Committee meeting of 13 th November 2024 with implementation from 1 st April 2025.
<i>Is income reported to full council?</i>	Yes	Income received is reported to full Council within the financial reports submitted to full Council in accordance with council's financial regulations.
<i>Does the precept recorded agree to the Council Tax Authority's notification?</i>	Yes	Council received precept in the sum of £555,624 from East Suffolk Council for the period under review as reported to full Council within its Financial Reports at its meetings in April and October 2025. Evidence was provided showing a full audit trail from Precept being discussed and approved to being served on the Charging Authority to remittance advice showing the Precept to be paid and receipt of same in the council's bank account.
<i>If appropriate, are CIL reporting schedules in accordance with the Regulations?⁷</i>	Yes	CIL reporting scheduled are held in accordance with the Regulations with the RFO maintaining a CIL project list detailing progress against committed funds and allocations to specific project earmarked reserves.
<i>Is CIL income reported to the council?</i>	Yes	For the period under review Council received CIL Receipts in the sum of £5,061.73 (April) receipts as reported to full Council as an agenda item at the meeting of full Council of 21 st May 2025.
<i>Does unspent CIL income form part of earmarked reserves?</i>	Yes	The CIL financial overview report for 2024-2025 shows a year-end balance of £72,732.69 with sums allocated specifically to Earmarked Reserves, in accordance with the Regulations.

⁷ Community Infrastructure Levy Regulations 2010

<i>Has an annual report been produced?</i>	Yes	The Annual CIL Statement for 2024-2025 was presented to full Council for formal approval, signature and onward submission at the Full Council meeting of 23 rd April 2024.
<i>Has it been published on the authority's website?</i>	Yes	The statement for the year ending 31 st March 2025 was confirmed as being present on the council's website and reflects the sums incurred, expended and retained by the council. <i>Comment: council is aware that the Regulations provide clarity on the timing of the reports, and by which date they should be brought into the public domain.</i>
Additional comments:		

<p>Section 7 – petty cash The Internal Auditor will seek evidence that the Council has followed its own policies, procedures, and verification processes and that these are up to date.</p>		
Evidence		Internal auditor commentary
<i>Is petty cash in operation?</i>	Yes	Petty cash reconciliations are conducted on a regular basis and are entered into the petty cash book. The transaction records were reviewed during the internal audit review. A balance of £133.75 is to be reported as part of the period-end balances at the meeting of 15 th October 2025. <i>Comment: whilst the internal audit has been carried out remotely in accordance with the Council's instructions, the balance held, and petty cash transactions as uploaded to the council's financial system were reviewed and verified.</i>
<i>If appropriate, is there an adequate control system in place?</i>	Yes	The RFO ensures that a complete record of the sums involved in all transactions is maintained, including VAT records and regular reconciliations are performed and reported at each relevant meeting.
Additional comments:		

Section 8 – Payroll controls		
The Internal Auditor will check salaries were approved in accordance with PAYE, NI, Pension and that there is a clear understanding that the clerk is not self-employed. The Internal Auditor will also review how payroll is managed including evidence of approval of payslips.		
Evidence		Internal auditor commentary
<i>Do all employees have contracts of employment?</i>	Yes	Council had seven (7) employees on its payroll at the period end of 30 th September 2025. Employment contracts were not reviewed during the internal audit visit for the period, but the Clerk to the Council has confirmed that all staff have an employment contract.
<i>Has the Council approved salary paid?</i>	Yes	All payroll reports are reviewed, in accordance with Council’s adopted Financial Regulations to the Chair and Chair of the Finance Committee to ensure the accuracy of payment made. From the paperwork seen, the National Salary Award 2025 applicable from 1 st April 2025 was applied effective August 2025 with backpay payable from 1 st April 2025 as noted by the Staffing Committee at its meeting of 10 th September 2025. Salaries are paid in accordance with contracted hours worked. Payroll records including variations to contracts with approval dates of such revisions are accurately maintained and held securely by the Clerk to the Council.
<i>Minimum wage paid?</i>	Yes	The Council applies the National Minimum Wage where applicable.
<i>Are arrangements in place for authorising of the payroll and payments to the council? Does this include a verification process for agreeing rates of pay to be applied?</i>	Yes	In accordance with Financial Regulation 11.6, there are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities and as such the council has complied with its duties under legislation.
<i>Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?</i>	Yes	Council uses the ‘Moneysoft’ payroll software which ensures that the Council operates within the RTI system and submits full payment monthly submissions. Cross-checks were completed on payments covering salary, PAYE and pension deduction and all were found to be in order. Deductions paid to HM Revenue and Customs and Suffolk County Council during the year under review were made in accordance with prescribed timescales.

<i>Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?⁸</i>	Yes	Council is aware of its pension responsibilities and payments are made in accordance with timescales agreed with the Council's Pension Provider for six (6) members of staff who have been enrolled into the council provided pension scheme.
<i>Have pension re-declaration duties been carried out</i>	Yes	Council's re-declaration of compliance with the Pensions Regulator was confirmed as having been submitted on 18 th July 2023 and accepted on 19 th July 2023.
<i>Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?</i>	Yes	Whilst there is a satisfactory expense system in place and all staff expenses claimed are approved in accordance with Council's Financial Regulations, it is noted that the Expenses policy has still to be reviewed during the current term of councillors.
Additional comments:		

Section 9 – Asset control

The Internal Audit will be seeking to establish if there is a list of assets in accordance with proper practices including the date of acquisition, location, and value. This extends to checking policies (with evidence of review) and that the Council has applied the documented approach in practice. The Internal Auditor will check not only valuation processes but the existence of reserve budgets for depreciation and adequacy of insurance. A clear audit trail should be available when items are purchased including minutes to evidence approval.

Evidence		Internal auditor commentary
<i>Does the Council maintain a register of material assets it owns and manage this in accordance with proper practices?⁹</i>	Yes	The Asset Register covers those items listed under insurance and within the parish council's remit for maintenance and ownership. Council's asset policy defines fixed assets as items of machinery and equipment which have a useful life of more than one year and a value greater than £500. The Asset Register on 31 st March 2025 stood at £909,585.07.
<i>Is the value of the assets included? (Note value for insurance purposes may differ)</i>	Yes	The council has a formal asset register which will be routinely updated to record new assets at historic cost price, net of VAT along with removal of any

⁸ The Pension Regulator – [website click here](#)

⁹ Practitioners Guide

		assets disposed of / no longer serviceable. Where assets have been gifted or where there is no known value, assets have been given the proxy value of £1. This value has also been applied to community assets, which, in accordance with guidance, are treated in the same manner as gifted assets. <i>Comment: This current valuation for assets commonly known as community assets is in line with requirements for smaller authorities to record each asset at its original purchase cost or where the original purchase cost is unknown at the time of first recording on the asset register, a current value is recorded, which acts as a proxy value to the original cost and will remain unchanged until disposal.</i>
<i>Are records of deeds, articles, land registry title number available?</i>	<i>Not tested</i>	It is noted that the Town Council at its meeting of 23 rd April 2025 resolved to report on the ownership of two assets and to formalise the registration of these assets with the Land Registry.
<i>Are copies of licences or leases available for assets sited at third party property?</i>	<i>N/A</i>	Council has not declared that it has assets on third party property.
<i>Is the asset register up to date and reviewed annually?</i>	<i>Yes</i>	The value of the asset register, for the year ending 31 st March 2025, was reported at the meeting of 26 th March 2025 and confirmed as being £909,585.07.
<i>Cross checking of insurance cover</i>	<i>Yes</i>	Council has insurance under all risks cover for its assets as specified under the headings on the insurance schedule including furniture, fixtures and fittings at all premises listed on the insurance schedule.
<i>Additional comments:</i>		

Section 10 – bank reconciliation

The internal auditor will seek to establish that the Council understands and can evidence good practice and internal control mechanisms in relation to bank reconciliation.

Evidence	Internal auditor commentary
<i>Is bank reconciliation regularly completed and reconciled with the cash book and cover every account?</i>	Bank reconciliations are completed on a regular basis and reconcile with the cash sheets. Overall, there is regular reporting of bank balances within the

		<p>detailed financial reports submitted to both full council and the Finance and Governance Committee.</p> <p>A review of sample of transactions from the cashbooks from the months of April 2024 to March 2025 across the accounts held by the council was undertaken to verify the detail held within the cashbooks to that shown on the bank statement. There were no matters arising from the review which suggested that there were errors in the entries and there was no identification of signs of fraud or duplicate entries (for which explanations or corrections were not forthcoming).</p> <p><i>Comment: The reconciliations conducted allow for the process of comparing internal records against statements from financial institutions and other external sources to ensure money that exits in an account matches money spent.</i></p>
<p><i>Do bank balances agree with bank statements?</i></p>	<p>Yes</p>	<p>Bank balances as of 30th September 2025 agree with the period-end bank statements and stood at £1,061,673.13 across the accounts held in the town council's name. At each meeting, the Town Council receives management reports monitoring the cashbook, budget, balance sheet, income and expenditure.</p> <p>Recommendation: council is reminded that, in accordance with proper practices, it is required to review its Investment Policy & Strategy annually. Any such policy should reflect the statutory guidance on Local Government Investments (3rd Edition) issued under Section 15(1)(a) of the Local Government Act 2003. It is understood that Council's adopted policy dated September 2021 is due to be reviewed this Civic Term.</p>
<p><i>Is there regular reporting of bank balances at Council meetings?</i></p>	<p>Yes</p>	<p>Overall, there is regular reporting of bank balances within the detailed financial reports submitted to full Council. Council continues with the system whereby the monthly reconciled bank accounts are presented to the Town Council for approval and so recorded in the minutes of the meeting.</p> <p><i>Comment: Approval of the bank reconciliation by the authority or an authority nominee is not only good practice but is also a safeguard for the Responsible Financial Officer and fulfils one of the authority's internal control objectives.</i></p>
<p>Additional comments:</p>		

Section 11 – year end procedures		
Evidence		<i>Internal auditor commentary</i>
<i>Are appropriate accounting procedures used?</i>	Yes	The Internal Auditor confirms that having reviewed the period-end files, there is a full underlying financial trail from financial records to the accounts produced.
<i>Financial trail from records to presented accounts</i>	Yes	The RFO has ensured that the Council's accounting software contains and records details on its assets and liabilities including the asset and investment register and other debts. The accuracy of the period-end bank reconciliation detail is verified along with the correct disclosure of the combined cash and bank balances in the Detailed Balance Sheet. Period-end balances agree with cash book and bank reconciliations: Debtors: £9,184 Other Debtors: £4,809 Bank Accounts: £1,061,673 less Creditors: £16,364 Income in Advance: £20,037 Represented by: Total Reserves: £1,039,266
<i>Has the appropriate end of year AGAR¹⁰ documents been completed?</i>	N/A	As Council is a smaller authority with budgeted gross income and expenditure exceeding £25,000 it will be required to complete Part 3 of the AGAR at year-end.
<i>Did the Council meet the exemption criteria and correctly declared itself exempt?</i>	N/A	As the Council was a smaller authority with gross income and expenditure exceeding £25,000 during the year 2024-2025, it was not able to certify itself as an exempt authority.
<i>During the period in question did the small authority demonstrate that it correctly provided for the exercise of public right as required by the Accounts and Audit Regulations 2015?</i>	Yes	The internal auditor is able to confirm that the notice of the public rights was seen on the website and can confirm that the dates set were 3 rd June to 24 th July 2025. This has been evidenced by the notice on the website which contains the period for the exercise of public right; details of the manner in

¹⁰ Annual Governance & Accountability Return (AGAR)

		which the documents can be inspected; the name and address of the external auditor and the provisions as contained under section 25 and section 27 of the Act.
<i>Have the publication requirements been met in accordance with the Regulations?¹¹</i>	Yes	The Internal Auditor is able to confirm that the Council has complied with the requirements of the Accounts and Audit Regulations 2015 for smaller authorities with income and expenditure exceeding £25,000 and published the relevant information for the year 2024 – 2025 on its publicly accessible website.
Additional comments:		

<p>Section 12 – internal audit The internal auditor will revisit weaknesses and recommendations previously identified to see if these have been addressed. They will also check if any changes introduced require further verification to ensure effectiveness of the corrective action taken.</p>		
Evidence		<i>Internal auditor commentary</i>
<i>Has the Council considered the previous internal audit report?</i>	Yes	The Internal Audit Report for the year ending 31 st March 2025 was considered at a meeting of full Council on 21 st May 2025.
<i>Has appropriate action been taken regarding the recommendations raised?</i>	Yes	Members received the internal audit report and noted comments regarding the review of the effectiveness of the internal audit process and the accurate completion of the Register of Interests forms. <i>Comment: Council has followed guidance which confirms that, in accordance with Proper Practices, the annual review of internal audit should be received and recorded as such by the Council (or delegated committee). Any actions planned from the outcomes of the tests undertaken along with the narrative reports from the Internal Auditors should be the subject of an audit plan detailing actions to be undertaken, members or officers responsible for delivering improvement and deadlines for the completion of the actions.</i>

¹¹ Accounts and Audit Regulations 2015

<p><i>Has the Council confirmed the appointment of an internal auditor? Has the letter of engagement been approved by full council?</i></p>	<p>Yes</p>	<p>At the meeting of 23rd July 2025, council agreed to re-appoint Suffolk Association of Local Councils as it's independent Internal auditor to undertake a half-yearly and year-end audit. The letter of engagement was approved by the Clerk under delegated powers. <i>Comment: by approving the letter of engagement, Council will be following Proper Practices by ensuring it has clarity on the provision of internal audit including the roles and responsibilities, audit planning and timing of visits, reporting requirements, rights to access to information, members and officers, period of engagement and remuneration.</i></p>
<p>Additional comments:</p>		

<p>Section 13 – external audit for the period under review The internal auditor will revisit the external audit so that previous weaknesses and recommendations can be considered.</p>		
<p>Evidence</p>	<p><i>Internal auditor commentary</i></p>	
<p><i>Has the Council considered the previous external audit report?¹²</i></p>	<p>Yes</p>	<p>The External Audit Report and Certificate for the year ending 31st March 2025 having been received by the Council in August 2025 was submitted to and noted by Full Council with formal adoption at the meeting of 17th September 2025 (Minute ref: #14 Page 4).</p>
<p><i>Has appropriate action been taken regarding the comments raised?</i></p>	<p>N/A</p>	<p>There were no matters which came to the attention of the external auditor that gave cause for concern that relevant legislation and regulatory requirements that have not been met. <i>Comment: Council has noted Regulation 20 (in part) which states that the annual audit letter received from the auditor must be considered by the</i></p>

¹² Regulation 20 Accounts and Audit Regulations 2015 – following completion of an audit the Council should note that it is the Council as a whole (i.e., All members) and not a committee that should receive and consider the audit letter (including Annual Return and Certificate) from the local auditor as soon as reasonably practicable and the minutes should reflect that these have been received.

		<p><i>authority and published (including publication on the authority’s website) and to permit copies to be purchased.</i></p> <p>The Internal Auditor is able to verify that the external auditor report and certificate along with the conclusion of the external audit have been published on the Council’s website. Details as to how copies may be purchased have also been included.</p>
<p>Additional comments: <i>in order to comply with the Regulation 16 of the Accounts and Audit Regulations 2015, Council has demonstrated that it is aware that, as soon as it is reasonably practical after the conclusion of the audit, it should publish a statement saying that the audit has been concluded, giving the details of the public’s rights of inspection under section 25 of the 2014 Act (Local Audit and Accountability Act 2014) and saying where and when those rights may be exercised.</i></p>		

<p>Section 14 – additional information The internal auditor will look for additional evidence of good record keeping, compliance with data protection regulations, freedom of information and website accessibility regulations.</p>		
<p>Evidence</p>		<p><i>Internal auditor commentary</i></p>
<p><i>Was the annual meeting held in accordance with legislation?</i> ¹³</p>	<p>Yes</p>	<p>Council held its Annual Meeting of the council at which the Chair (Mayor) and other Officers were elected for the Civic Year 2025-26 on 15th May 2025 in accordance with legislation in place at that time.</p>
<p><i>Is there evidence that Minutes are administered in accordance with legislation?</i> ¹⁴</p>	<p><i>Work required</i></p>	<p>Council is aware that that under LGA 1972 schedule 12, paragraphs 41(1) and 44 the draft minutes of a meeting should be formally approved (with any necessary amendments) at the next meeting. At each meeting, the Chair is given formal approval to sign the minutes, in accordance with prevailing legislation.</p> <p>Recommendation: council should note that, in accordance with legislation, loose leaf minutes should be numbered consecutively and signed by the Chair of the meeting on each page.</p>

¹³ The Local Government Act 1972 Schedule 12, paragraph 7 (2) and Schedule 15 (2)

¹⁴ Public Bodies (Admission to Meetings) Act 1960, Local Government Act 1972, and the Localism Act 2011

<p><i>Is there a list of members' interests held?</i></p>	<p>Yes</p>	<p>Evidence was seen on East Suffolk Council's website of the Register of Interests for all current parish councillors with access gained as a direct link from the council's own website.</p>
<p><i>Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?</i></p>	<p>Yes</p>	<p>The Council is sole managing trustee of Elmhurst Park and Kingston Field, Charity Numbers 271063 and 304841 refer. It is confirmed that the filing requirements for both charities are up to date with the Charity Commission. The Council manage the charitable funds which are held within the council's accounts. The Council does not hold separate meetings to discuss matters covering the Trusts' transactions in accordance with the trusts' documents, neither are the accounts recorded separately from those of the council. Council provides an explanatory note to the unaudited accounts confirming that all income and expenditure is managed within the council's accounts as part of the precept calculations and budget monitoring. Accordingly, the Council answers in the affirmation to Section 2 of the Annual Governance and Accountability Return confirming that the finances of the charities are included within the figures presented in Section 2 of the Return. <i>Comment: the Council has recognised this position and is seeking to move forward with a proper arrangement once clarity has been sought on the formalisation of the Council's estate.</i></p>
<p><i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i></p>	<p>Yes</p>	<p>Council has shown compliancy with the minimum datasets that should be published on a quarterly basis as per the requirements as set out in the Local Government Transparency Code (2015), with a range of documents relating to the current year being able to view on the Council's website. <i>Comment: Appendix A of the Local Government Transparency Code 2015 (published February 2015) provides further details of all information to be published along with relevant timescales.</i></p>
<p><i>Has the Council registered with the Information Commissioner's Office (ICO)?¹⁵</i></p> <p><i>Is there an adopted council publication scheme and reviewed regularly?</i></p>	<p>Yes</p>	<p>The Council is correctly registered with the Information Commissioner's Office (ICO) as a Data Controller in accordance with the Data Protection Legislation. Certificate Z5069580 with an expiry date of 15th October 2026. The Freedom of Information Act requires every public authority to have a publication scheme, approved by the Information Commissioner's Office (ICO), and to publish information covered by this scheme. Council has such a scheme, which sets out the Council's commitment to make certain classes</p>

¹⁵ Data Protection Act 2018

		of information routinely available, such as policies and procedures, minutes of meetings, annual reports and financial information and is available to view on the council's website. The latest review for 2025-26 was carried out at the full council meeting 18 th June 2025.
<p><i>Is the Council compliant with the General Data Protection Regulation requirements?</i></p> <p><i>Councils must:</i></p> <ul style="list-style-type: none"> • <i>Conduct regular data audits to identify what personal data is held, how it is used and make sure it is processed lawfully.</i> • <i>Implement a Data Protection policy on data handling, storage and sharing.</i> • <i>Provide regular training to ensure all staff and members are trained on data protection principles and practices.</i> • <i>Secure data using appropriate technical and organisational measures to protect personal data from breaches</i> 	Yes	<p>Council has taken active steps to ensure compliancy with the GDPR requirements and has reviewed its GDPR Policies (Electronic Retention Data Protection and Data Protection Policy) during the year ensuring that at all times it is able to provide clear responsibilities and obligations of the Council in respect of the collecting, using and protecting of personal information in accordance with the provisions of the GDPR. Appropriate policies and procedures are in place for the management and protection of personal data from security breaches along with measures that ascertain the lawful basis for the processing of data covered by the regulations. Council should be aware that data audits should be regularly reviewed and comprehensive records kept of the processing activities undertaken by the council to ensure that it keeps abreast of all processing activities and their purposes and that associated risks arising are mitigated.</p> <p><i>Comment: to provide a positive response to Assertion 10 of the Annual Governance Statement, council might wish to provide confirmation and/or training that the council and councillors are aware of their responsibilities and obligation in relation to the collection, use and protection of personal information in accordance with the provisions of the GDPR and Data Protection Act 2018.</i></p>
<p><i>Has the Council published a website accessibility statement on their website in line with Regulations?¹⁶</i></p>	Yes	<p>Council's Accessibility Statement (dated 7 August 2023) details how information will be produced on a website and how to gain access to content that is readily accessible to view as well as detailing the technical information of the website along with the methods used for testing the website; the steps being taken to improve accessibility and how the site is being improved to ensure that content meets the WCAG 2.1 Standard under Regulation 8 of the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.</p> <p><i>Comment: The updated regulations (WCAG2.2) aim to ensure public sector websites and mobile apps are accessible to all users, especially those with</i></p>

¹⁶ Website Accessibility Regulations 2018

		<i>disabilities. Council is advised to ensure that the website is regularly assessed to make sure it meets level AA of the Web Content Accessibility Guidelines 2.2 as a minimum.</i>
<i>Does the council have official generic email addresses hosted on an authority owned domain, for correspondence?¹⁷</i>	Yes	Council has a GOV.UK domain for its council website which also supports a secure and digitally managed email system. Council is aware of the importance of ensuring that it uses a secure e-mail system with a gov.uk address thereby identifying that it has local government status and demonstrating authenticity when building trust and credibility with the public. Council has also adhered to the guidance contain within proper practices which recommends that a GOV.UK domain name be used to support council's official email accounts for officers and councillors.
<i>Does the council have an IT policy that is tailored to the council?</i>	<i>Work required</i>	Council is aware that Assertion 10 – Digital and data compliance on the Annual Governance Statement, requires that all councils must have an IT policy that mandates the use of authority-owned email accounts for official business. Further guidance can be found at sections 5.120 – 5.122. <i>Comment: it is noted that this is an agenda item for adoption at the Town Council meeting of 15 October 2025.</i>
<i>Is there evidence that electronic files are backed up?</i>	Yes	Council's day to day records are subject to regular back-ups to a cloud-based secure system.
<i>Do terms of reference exist for all committees and is there evidence these are regularly reviewed?</i>	Yes	Council reviewed the Terms of Reference for its standing committees for the Civic Year 2025-26 in May 2025, details of which, including areas of responsibility and delegated authority, are published on the website.
<i>Additional comments: The Internal Auditor offers her appreciation for the assistance given by the Cler and Finance Assistant in completing this audit. The period end files were extremely well presented for review.</i>		

Signed: *Victoria S Waples*

Date of Internal Audit Review (carried out remotely): 14.10.2025

Date of Internal Audit Report: 14.10.2025

On behalf of Suffolk Association of Local Councils

¹⁷ Practitioners Guide