

Report to Brightwell, Foxhall & Purdis Farm Group Parish Council

The Internal Audit of the Accounts for the year ending 31 March 2026

1. Introduction and Summary.

1.1 The Internal Audit work undertaken confirmed that during the 2025/26 year the Council maintained effective governance arrangements which included measures for the operation of internal control and risk management. The Internal Audit review, undertaken on the documentation provided to the Internal Auditor and on the information published on the Council's website, has confirmed that the Council maintains an effective framework of financial administration and internal financial control.

1.2 By examination of the 2025/26 accounts and supporting documentation it was confirmed that the Clerk, in the role as the Council's Responsible Financial Officer (RFO), satisfactorily undertook the administration of the Council's financial affairs and produced financial management information to enable the Council to make well-informed decisions.

1.3 All documents were very well presented by the Clerk/RFO for the Internal Audit.

1.4 The Accounts for the year confirm the following:

Total Receipts for the year: £31,011.01
Total Payments in the year: £11,293.12
Total Reserves at year-end: £70,647.27

1.5 The Annual Governance and Accountability Return (AGAR) was examined and the following figures agreed with the Clerk/RFO for inclusion in Section 2 (rounded for purposes of the Return):

<i>Balances at beginning of year (1 April 2025):</i>	<i>Box 1: 50,929</i>
<i>Annual Precept 2025/26:</i>	<i>Box 2: £7,000</i>
<i>Total Other Receipts:</i>	<i>Box 3: £24,011</i>
<i>Staff Costs:</i>	<i>Box 4: £5,856</i>
<i>Loan interest/capital repayments:</i>	<i>Box 5: nil</i>
<i>All Other payments:</i>	<i>Box 6: £5,437</i>
<i>Balances carried forward (31 March 2026):</i>	<i>Box 7: £70,647</i>
<i>Total cash/short-term investments:</i>	<i>Box 8: £70,647</i>
<i>Total fixed assets:</i>	<i>Box 9: £41,456</i>
<i>Total borrowings:</i>	<i>Box 10: nil</i>

1.6 Sections One and Two of the AGAR were approved by the Council at its meeting on 13 May 2026 and have been signed/dated as required. The Internal Auditor has completed the Annual Internal Audit Report 2025/26 within the AGAR.

1.7 The following Internal Audit work was carried out on the adequacy of systems of internal control in accordance with the Audit Plan.

2. Governance, Standing Orders, Financial Regulations and other Regulatory matters (*examination of Standing Orders, Financial Regulations, Code of Conduct, Formal Policies and Procedures, Tenders where relevant. Acting within the legal framework, including Data Protection legislation*).

2.1 The Annual Parish Council meeting took place on 14 May 2025. The first item of Parish Council business was the Election of a Chairman, as required by the Local Government Act 1972.

2.2 At its meeting on 14 May 2025 the Council agreed the appointment of Lead Councillors of the Planning Committee, the Brightwell Lakes Forum, Road Safety Forum and the Community Forum.

2.3 Standing Orders are in place and are based upon the model Standing Orders published by the National Association of Local Council (NALC). They were considered and approved by the Council at the meeting held on 30 July 2025.

2.4 Financial Regulations are in place and are based upon the model Regulations published by the NALC. They were also considered and approved by the Council at its meeting on 30 July 2025.

2.5 The Council's Minutes are well presented and provide clear evidence of the decisions taken by the Council in the year. Each page of the Minutes is signed/initialled by the person acting as Chair of the meeting at which the Minutes are approved to secure an authentic and legal record.

2.6 The Council is registered with the Information Commissioner's Office (ICO) as a Fee Payer/Data Controller for the provision of council services under Data Protection legislation (Registration ZA326954, expiring 12 March 2027). A Data Protection and Information Management Policy was adopted by the Council at its meeting on 11 March 2026 to assist in compliance with the General Data Protection Regulations (GDPR).

2.7 The Council adopted a Freedom of Information (Fol) Policy at its meeting on 11 March 2026 to assist in compliance with Fol legislation. An IT Policy was also approved and can assist in meeting the new Assertion 10 requirements in the Annual Governance Statement 2025/26.

2.8 The Council reviewed and confirmed the adoption of the LGA Model National Code of Conduct for Councillors at its meeting on 11 March 2026. The Council demonstrates good practice by periodically reviewing and re-adopting the Code of Conduct, which details the requirements and responsibilities placed upon each individual Councillor.

2.9 A new Assertion 10 is included in the Annual Governance Statement (AGS) within the 2025/26 AGAR. The SAPPP Practitioners' Guide states that to be fully compliant with Assertion 10 a local council must:

a) Use a council-owned domain (This is being met as the Council has registered under an official .gov.uk domain name of brightwellfoxhallpurdisfarm-pc.gov.uk).

b) Operate at least one generic email account on the council owned domain (The Clerk/RFO is using the email address of: clerk@brightwellfoxhallpurdisfarm-pc.gov.uk and has confirmed that the Council provides each councillor and any new Councillors with a dedicated .gov.uk email account and these are used for all Council correspondence).

c) Ensure the website is accessible to Web Content Accessibility Guidelines (WCAG) 2.2 AA standards (see item 2.11 below).

d) Adopt a formal IT Policy covering data protection and device usage (The Council has adopted an IT Policy).

2.10 It is considered that the Council is overall demonstrating proper governance of its digital presence, including using an authority-owned domain for emails for the Clerk/RFO, has an IT Policy in place and is complying with website accessibility standards as far as practicably possible.

2.11 The Council has published a Website Accessibility Statement which states that the Council is committed to making its website accessible but the website is only partially conformant with the previous and lower WCAG 2.1 level AA standard (the website having been tested in-house on 14 February 2023 using the WAVE web accessibility evaluation tool). Accordingly, the website accessibility may not be fully compliant to the higher WCAG 2.2 AA standard.

Recommendation 1: In terms of compliance with the new Assertion 10 in the Annual Governance Statement for the financial year 2025/26, the Council is advised to test the Council's Website in detail to determine how far the website is compliant with the latest accessibility standard WCAG 2.2 AA. Following the review, action can be taken to address any areas not in compliance with the latest standards, if it is practicable to do so.

3. Accounting Procedures and Proper Book-keeping (*examination of entries in the Cashbook, regular reconciliations, supporting vouchers, invoices and receipts and VAT accounting*).

3.1 The Cashbook Spreadsheet is very well referenced and provides a good audit trail to the Bank Statements and Cheque Book counterfoils and the financial information prepared by the Clerk/RFO. These documents provided good evidence in support of the receipts and payments in the year. Supporting invoices and vouchers were in place.

3.2 A sample of Cashbook (Expenditure Analysis) transactions in the year was closely examined and all was found to be in order.

3.3 Payments made under the Local Government Act 1972 Section 137 are separately recorded in the accounts.

3.4 VAT payments are tracked and identified within the Expenditure Analysis to facilitate future re-claims to HMRC. The most recent reclaim to HMRC was for the £3,329.00 VAT paid in the period 1 June 2021 to 31 March 2024 which was received at bank on 18 October 2024.

3.5 A CIL Annual Report for 2025/26 has been constructed by the Clerk/RFO. The Report displays an Opening Balance for CIL Funds as at 1 April 2025 of £22,146.21, additions in the year of £23,855.63 and £0 spending. The amount of CIL Receipts retained as at 31 March 2026 accordingly stood as £46,001.84, of which £40,000 has been allocated to Footpath (Purdis Farm) and £600 to a Waste Bin (Purdis Farm). The CIL Annual Return for the year 2025/26 has to be published on the Council's website and submitted to the District Council no later than 31 December 2026.

3.6 A Statement of Analysis of Variances (explaining significant differences in receipts and payments between the years 2024/25 and 2025/26) has been prepared by the Clerk/RFO for presentation to the External Auditor and for publication on the Council's website.

4. Bank Reconciliation (*Regularly completed and cash books reconcile with bank statements*).

4.1 Bank balances are reported by the Clerk/RFO to each meeting of the Council and included in the Minutes of the meeting.

4.2 The Bank Statements as at 31 March 2026 for the Barclays Community Account (£22,317.09) and Barclays Business Premium (Savings) Account (£48,623.18) totalled £70,940.27 and reconciled with the End-of-Year accounts (£70,647.27) and agreed with the overall Bank Reconciliation for all accounts after taking into account the following unpresented cheques totalling £293.00:

100949 dated 9 October 2024 for £21.00

101008 dated 10 March 2026 for £170.00

101009 dated 10 March 2026 for £54.00

101010 dated 10 March 2026 for £48.00

Recommendation 2: Cheque 100949 dated 9 October 2024 is now out-of-date and should be written back into the Accounts as a deduction from Payments. The Clerk/RFO has agreed to complete this action during the year 2026/27.

5. Year End procedures (*Regarding accounting procedures used and can be followed through from working papers to final documents. Verifying sample payments and income. Checking creditors and debtors where appropriate*).

5.1 End-of-Year accounts are prepared on a Receipts and Payments basis. Sample checks were undertaken on the documents constructed by the Clerk/RFO and all was found to be in order.

6. Budgetary controls (*Verification of the budgetary process with reference to Council Minutes and supporting documents*).

Precept 2025/26: £7,000 (13 November 2024, Minute 153.24).

Precept 2026/27: £7,000 (12 November 2025, Minute 153.25).

6.1 At the meeting on 13 November 2024 the Council considered and adopted the Budget for 2025/26 and set a Precept of £7,000 for the year. The Budget document was detailed and can act as a sound basis for the Council to undertake budgetary control and scrutiny during the 2025/26 year of account.

6.2 The Budget for the year 2026/27 was discussed and agreed by the Council at its meeting on 12 November 2025. The Precept of £7,000 for the year 2026/27 was agreed by the Council.

6.3 The Clerk/RFO ensures the Council is aware of its responsibilities and commitments and the need for forward planning and adequate reserves. Budget papers are prepared to ensure Councillors have sufficient information to make informed decisions.

6.4 At its meeting on 12 November 2025 the Council received the Half-Year Accounts to 30 September 2025 which were examined and accepted by the Council. It is good financial practice for a Council to receive reports of the income and expenditure in the year compared with the budget headings to enable the Council to promptly identify any significant variations from budget and take remedial action as necessary.

6.5 The Overall Reserves available to the Council as at 31 March 2026 amounted to £70,647.27. The Clerk/RFO has confirmed that the Earmarked Reserves/Restricted Reserves consist of:

- CIL Fund balance (restricted reserve) of £46,001.84 (of which £40,000 has been allocated to Footpath (Purdis Farm) and £600 to a Waste Bin (Purdis Farm) as stated at item 3.6 above)
- Election Expenses Earmarked Reserve of £1,000.00
- Road Traffic Modifications Earmarked Reserve of £20,000

6.6 Accordingly the General Reserves (Overall Reserves less Earmarked/Restricted Reserves) totalled £3,645.43 (52% or 6 months equivalent of the 2026/27 Precept),

which is in line with the generally accepted best practice that a Local Council's General Reserves should usually be at least between three and twelve months of Net Revenue Expenditure/Precept (the SAPPP Practitioners' Guide, Item 5.34 refers).

7. Payroll Controls (*PAYE and NIC in place; compliant with HMRC procedures; records relating to contracts of employment*).

7.1 In the year 2025/26 the Council's Payroll was administered by the Suffolk Association of Local Councils (SALC) in accordance with HMRC requirements. PAYE is in operation and detailed payslips are provided. The Clerk/RFO maintains a detailed record of hours worked each month alongside any expenses incurred in the month.

7.2 At its meeting on 10 September 2025 Council noted that the NJC for Local Government Officers had agreed a pay increase effective from 1 April 2025. The Council approved the new pay scales and the increase in the Clerk/RFO's salary backdated to 1 April 2025.

8. Income Controls (*regarding sums received from Precept, Grants, Loans and other income including credit control mechanisms*).

8.1 The Clerk/RFO reports to the Council details of income received as a matter of routine and has constructed a Spreadsheet detailing the £31,011.01 income received in the 2025/26 year of account. As at the year-end 31 March 2026 the Council had received the following: Precept payment from the District Council (£7,000), CIL Fund Receipts (£23,855.63), Interest from Business account (£105.38) and Compensation (Barclays Bank (£50).

8.2 Receipts recorded in the Cashbook Spreadsheet were cross referenced with the bank statements on a sample basis and were found to be in order.

9. Petty Cash (*Associated books and established system in place*).

9.1 No Petty Cash is held; an expenses system is in place with supporting details listed against the expenses claimed and attached to the Salary and Expenses Voucher.

10. Internal Control and the Management of Risk (*Review by Council of the effectiveness of internal controls, including risk assessment, and Minuted accordingly*).

10.1 The Clerk/RFO has confirmed that the Council's Internal Control and Risk Assessment procedures and documentation were reviewed and adopted at the Council's meeting on 11 March 2026 (Minute 36.26 refers). The risk assessment is comprehensive and includes the area of risk, the risks identified within those areas,

the level of risk (H, M or L) and the internal control measures in place to control/mitigate the risks and the review actions required to take place.

10.2 The Council accordingly complied with the Accounts and Audit Regulations 2015 which require that at least once during each financial year a Council must undertake a review of the effectiveness of its Internal Control arrangements, including the management of risk and Minute that the review has taken place.

10.3 Insurance was in place for the year of account. Payment of the premium of £456.26 to Community Action Suffolk (CAS) was approved by the Council on 10 September 2025. The Policy is provided by Ansvar Insurance and runs from 1 October 2025 to 30 September 2026. Employer's Liability cover and the Public Liability cover each stand at £10m. The Employee/Councillor Dishonesty (Fidelity Guarantee) cover is £100,000 and meets the recommended guideline for the amount of cover (Year-End Balances plus 50% of the Precept/grants).

11. Internal Financial Controls, Payments Controls and Audit Procedures
(Confirmation that the Council has satisfactory internal financial controls in place for making payments with adequate documentation to support/evidence payments made. Any previous audit recommendations implemented).

11.1 The Council has satisfactory internal financial controls in place. The Clerk/RFO provides financial reports to Council meetings and Councillors are provided with information to enable them to make informed decisions. Cheque Book counterfoils are initialled by cheque signatories. Invoices and vouchers for payment are signed by signatories and list the cheque number to provide a clear audit trail. Payments and receipts are listed in the Council's Minutes as part of the overall financial control framework.

11.2 The Internal Audit report for the previous year (2024/25) was considered and accepted by the Council at its meeting on 30 July 2025. The Report had raised no matters of concern.

11.3 The Council appointed the Internal Auditor for the 2025/26 year at its meeting on 11 March 2026.

12. Assets Controls
(Inspection of asset register and checks on existence of assets; recording of fixed asset valuations; cross checking on insurance cover).

12.1 A comprehensive Asset Register is in place and includes a description of each asset, the location, the value at cost, the year of acquisition with explanatory notes and comments.

12.2 The Asset Register was reviewed and approved by the Council at the meeting held on 11 March 2026.

12.3 The Register displays a total value of £41,455.94 as at 31 March 2026, unchanged from the valuation as at the end of the previous year 31 March 2025 and has been correctly entered into Box 9 of the 2025/26 AGAR.

13. External Audit (*Recommendations put forward/comments made following the annual review*).

13.1 An External Audit was not required in the year 2024/25. At the meeting on 14 May 2025 the Clerk/RFO advised the Council that as the higher of gross income or gross expenditure did not exceed £25,000 in the year of account ending 31 March 2024, the Council was able to certify itself exempt from a Limited Assurance Review under Section 9 of the Local Audit (Smaller Authorities) Regulations 2015, The Council accordingly completed a Certificate of Exemption at the meeting.

13.2 For the year 2025/26 the Council will be subjected to a Limited Assurance Review as the higher of gross income or gross expenditure exceeded £25,000 in the year of account ending 31 March 2026.

14. Transparency Code (*Compliance for smaller councils with income/expenditure under £25,000*).

14.1 Under the provisions of the Transparency Code, Brightwell, Foxhall & Purdis Farm Group Parish Council can be designated as a 'Smaller Council'.

14.2 The Council's website is <https://brightwellfoxhallpurdisfarm-pc.gov.uk/>

14.3 Smaller Councils should publish on their website:

- a) ***All items of expenditure above £100.***
Published on website.
- b) ***Annual Governance Statement: 2024/25 AGAR Annual Return Section One.***
Published on website.
- c) ***End-of-Year accounts: 2024/25 AGAR Annual Return, Section Two.***
Published on website.
- d) ***Annual Internal Audit report within 2024/25 AGAR Annual Return.***
Published on website.
- e) ***List of councillor or member responsibilities.***
Published on website.
- f) ***The details of public land and building assets (Asset Register).***
Published on website.
- g) ***Minutes, agendas and meeting papers of formal meetings.***
Published on website.

14.4 The Council is complying with the requirements of the Transparency Code.

14.5 The Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015 require the Council to publish a 'Notice of Public Rights and Publication of Annual Governance and Accountability Return (Exempt Authority)' on

a publicly accessible website. The Internal Auditor was able to confirm that the document for the year 2024/25 was readily accessible on the Council's website and displayed the Date of Announcement, Details of Person to contact to view the accounts, Dates of Inspection Period and the Details of the person making the announcement.

14.6 The remaining documents required to be published, as listed in the AGAR Page 1 Guidance Notes (including Certificate of Exemption, bank reconciliation and analysis of variances) were confirmed as easily accessible on the Council's website.

15. Additional Comments.

15.1 I would like to record my appreciation to the Clerk to the Council for the careful presentation of documents for the audit and for her assistance during the course of the audit work.

Trevor Brown

Trevor Brown

Chartered Institute of Public Finance and Accountancy

Internal Auditor

6 June 2026