Report to Brome and Oakley Parish Council

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

1. Introduction and Summary.

1.1 During the 2025/26 year the Parish Council maintained effective governance arrangements including a robust framework of financial administration and internal control. The Internal Audit review has confirmed the overall efficiency of the financial arrangements in place within the Council.

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 provided financial management information and advice to enable the Council to make well-informed decisions.

1.3 The Accounts for the year confirm the following:

Total Receipts for the year:	*£9,121.08*
Total Payments in the year:	*£13,362.48*
Total Reserves at year-end:	*£4,803.99*

1.4 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):

Balances at beginning of year (1 April 2025):	*Box 1:*	*£9.045*
Annual Precept 2025/26:	*Box 2:*	*£8,250*
Total Other Receipts:	*Box 3:*	*£871*
Staff Costs:	*Box 4:*	*£4,886*
Loan interest/capital repayments:	*Box 5:*	*nil*
All Other payments:	*Box 6:*	*£8,476*
Balances carried forward (31 March 2026):	*Box 7:*	*£4,804*
Total cash/short-term investments:	*Box 8:*	*£4,804*
Total fixed assets:	*Box 9:*	*£15,695*
Total borrowings:	*Box 10:*	*nil*

1.5 The Internal Auditor has completed the Annual Internal Audit Report 2025/26 within the AGAR.

1.6 The following Internal Audit work was carried out on the adequacy of systems of internal control in accordance with the Audit Plan. Comments and any recommendations arising from the review are made below.

TREVOR BROWN CPFA
Internal Audit Services
Charnwood, California, Woodbridge, Suffolk IP12 4DE
Tel: 01394 384698 or 07587 523764 Email: trevor@tcdbrown.co.uk

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 19 May 2025. The first item of business was the Election of a Chair, as required by the Local Government Act 1972.

2.2 The Council formally re-appointed the Clerk to the Council, Sarah Foote, as the Council's RFO at its meeting on 19 May 2025. The Council also appointed bank signatories and nominated Councillors to act as the Council's Representatives.

2.3 Standing Orders are in place and were reviewed and adopted by the Council at its meeting on 9 February 2026. They are based on the latest Model Standing Orders issued by the National Association of Local Councils (NALC). A copy has been published on the Council's website

2.4 Financial Regulations are also in place and were agreed and adopted by the Council at its meeting on 9 February 2026. The Regulations reflect the latest model documents and guidance provided by the NALC. A copy has been published on the Council's website.

2.5 At its meeting on 9 June 2025 the Council appointed Councillor Pace as the Council's Internal Controller in accordance with the Council's published Financial Regulations (item 2.6) which provides that *'At least once in each quarter, and at each financial year end, a member other than the Chair or a cheque signatory shall be appointed to verify bank produced by the RFO. The member shall sign and date the reconciliations and the original bank statements (or similar document) as evidence of this. This activity, including any exceptions, shall be reported to and noted by the council.'*

The reviews undertaken by the nominated Councillor will assist in informing the Council in the completion of the Annual Governance Statement 2025/26.

2.6 The Minutes of the meetings of the Council 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 Chair of the meeting at which the Minutes are approved to ensure that an authentic and legal record is maintained.

2.7 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 ZA045179 expiring on 21 April 2027 refers).

2.8 A Privacy Notice has been adopted by the Council in response to the requirements under the General Data Protection Regulations (GDPR) and a copy has been published on the Council's website.

2.9 The Council adopted the LGA Code of Conduct for Councillors at its meeting on 11 July 2022. The Code details the requirements and responsibilities placed upon each individual Councillor and a copy has been published on the Council's website.

TREVOR BROWN CPFA
Internal Audit Services
Charnwood, California, Woodbridge, Suffolk IP12 4DE
Tel: 01394 384698 or 07587 523764 Email: trevor@tcdbrown.co.uk

2.10 A new Assertion 10 applies to the Annual Governance and Accountability Return (AGAR) for the financial year beginning 1 April 2026. Assertion 10 will require councils to use a council-owned domain for email and to operate an accessible website and have an IT Policy in place. The Assertion 10 also explicitly requires parish and town councils to comply with the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018 and process personal data lawfully, fairly, and in line with UK GDPR principles.

2.11 The Smaller Authorities Proper Practices Panel (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 bromeandoakleyparishcouncil.gov.uk).

b) **Operate at least one generic email account on the council owned domain** (The Clerk/RFO maintains such an email account).

c) **Ensure the website is accessible to Web Content Accessibility Guidelines (WCAG) 2.2 AA standards** (The Council's Website Accessibility Statement states that the website is partially compliant with WCAG version 2.1 AA standard and accordingly may not be compliant to the latest and higher WCAG 2.2 AA standards.

d) **Adopt a formal IT Policy covering data protection and device usage** (The Council has an IT and Electronic Communication Policy dated June 2026 in place).

e) **Comply with the UK General Data Protection Regulations (UK GDPR)** and process personal data lawfully, fairly, and in line with UK GDPR principles (this requirement is being met).

2.12 In summary, it is considered that the Council is demonstrating proper governance of its digital presence, including using an authority-owned domain for emails, maintaining an IT Policy and complying with the UK General Data Protection Regulations. However, website accessibility may not be complaint to current WCAG 2.2 AA standards.

Recommendation 1: In terms of fully complying with the new Assertion 10 in the Annual Governance Statement, the Council is advised to test the Council's Website to determine how far the website is compliant with the latest accessibility standard WCAG 2.2 AA. Following the review, action can then be taken as necessary 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 well referenced and facilitates a clear audit trail to the Bank Statements, online payments and the financial information prepared by the

TREVOR BROWN CPFA
Internal Audit Services
Charnwood, California, Woodbridge, Suffolk IP12 4DE
Tel: 01394 384698 or 07587 523764 Email: trevor@tcdbrown.co.uk

Clerk/RFO. Some corrections to the Cashbook Spreadsheet were required to be undertaken during the course of the internal audit.

3.2 A sample of transactions was examined with the supporting invoices and vouchers to confirm the arrangements in place. VAT payments are separately identified in the Cashbook Spreadsheet to assist re-claims to HMRC. The re-claim of £260.15 for the VAT paid for the year ending 31 March 2025 was received at bank on 29 August 2925 and reported to the Council at the meeting on 22 September 2025.

3.3 The Community Infrastructure Levy (CIL) Funds Report for the year 2024/25 was accepted by the Council on 9 June 2025.

3.4 The Clerk/RFO made reports to the Council on CIL Funds during the year and has prepared a CIL Annual Report which displays the balance of £5,993.10 brought forward from previous years, £0 received in the year and spending of £4,656.64 in the year on the Village Hall refurbishment project and a Notice Board for Lower Oakley. A balance of £1,336.46 is accordingly recorded as retained at the year-end, 31 March 2026 as a Restricted Reserve. The approved Annual CIL Report has to be published on the Council's website and submitted to the District Council no later than 31 December 2026.

3.5 The Clerk/RFO has prepared a Statement of Explanation of Significant Variances (explaining significant differences in receipts and payments between the years 2024/25 and 2025/26) for publication on the Council's website.

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

4.1 A Bank Reconciliation for the period ending June 2025 was presented to the Council at the meeting on 14 July 2025. The Clerk/RFO has confirmed to the Internal Auditor that bank reconciliations are presented to Council with the supporting bank statements. Bank reconciliations are a key control function and through their examination the Council can promptly identify any irregularities or discrepancies in the accounting information when compared to the bank statements.

4.2 The bank statements for the Barclays Community Current Account (£684.57) and the Barclays Business Premium (Deposit) Account (£4,119.42) reconciled with the Account Balance of £4,803.99 as at 31 March 2026.

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. The statements required amendment during the audit review, following which they were in good order. Sample audit trails were undertaken and were found to be in good order.

TREVOR BROWN CPFA
Internal Audit Services
Charnwood, California, Woodbridge, Suffolk IP12 4DE
Tel: 01394 384698 or 07587 523764 Email: trevor@tcdbrown.co.uk

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

6.1 The Council's Risk Register was reviewed and approved by the Council at its meeting on 9 March 2026 (Minute 6c refers). A Statement of Internal Control is in place and the Clerk/RFO confirmed to the Internal Auditor that the document was also reviewed and agreed by the Council on 9 March 2026 although a Minute confirming this action was not recorded.

6.2 It is considered that the Council 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 the Minutes of the Council must formally record that the review has taken place. It is important that in future the Minutes of the meeting fully records and evidences the Council's action, as required by the Regulations.

6.3 Insurance cover was in place during the year of account. At the meeting on 19 May 2025 the Council approved the premium of £644.11 to Community Action Suffolk (cover provided by Ansvar Insurance) for the period 1 June 2025 to 31 May 2026. The insurance cover for Employer's Liability and Public Liability both stood at £10m. during the year. The amount of the cover for Fidelity Guarantee (Councillor/Employee Dishonesty) stood at £25,000 which met the current recommended guidelines which provide that the cover should be at least the sum of the year-end balances plus 50% of the precept/grants.

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

Precept 2025/26: £8,250 (13 January 2025, Minute 9c refers).

Precept 2026/27: £9,325 (12 January 2026, Minute 9b refers).

7.1 The Precepts were agreed in Full Council and the Precept decision and amount have been clearly Minuted. 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.

7.2 Budgetary procedures are in place. At the meeting on 10 November 2025 the Council received the Budget Report for the period April 2025 to September 2025. Clerk/RFO routinely provides financial statements to meetings of the Council, including budget reports.

7.3 The Overall Reserves available to the Council at the year-end 31 March 2026 were £4,803.99 of which, the Clerk/RFO has confirmed, £1,336.46 was a CIL Restricted Reserve.

TREVOR BROWN CPFA
Internal Audit Services
Charnwood, California, Woodbridge, Suffolk IP12 4DE
Tel: 01394 384698 or 07587 523764 Email: trevor@tcdbrown.co.uk

7.4 The General Reserves (Overall Reserves less Earmarked/Restricted Reserves) accordingly amounted to £3,467.53 (37% or 4-months equivalent of the 2026/27 Precept) which was in line with the generally accepted position that non-earmarked revenue reserves should usually be between three and twelve months of Net Revenue Expenditure/Precept (the SAPPP Practitioners' Guide, Item 5.34 refers).

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

8.1 Receipts are reported to the Council by the Clerk/RFO and the total of £9,121.08 is recorded in the Cashbook as Precept (£8,250), VAT Refund (£260.15), Allotment land rental (£75), Community Council Notice Board (£486.50) and Bank Interest (£49.43).

8.2 The Receipts were cross referenced with the bank statements on a test-check 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 online payments being made for expenses incurred.

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

10.1 Brome and Oakley Parish Council is designated as a 'Smaller Council'. The Council's website is: *https://bromeandoakleyparishcouncil.gov.uk/*

10.2 Smaller authorities should publish on their website:

a) ***All items of expenditure above £100.*** Yes, payments included within published Minutes of Council meetings.
b) ***Annual Governance Statement 2024/25 AGAR Annual Return Section One*.** Yes, published on the website.
c) ***End-of-Year accounts 2024/25 AGAR Annual Return, Section Two*.** Yes, published on the website.
d) ***Annual Internal Audit report 2024/25 within AGAR Annual Return.*** Yes, published on the website.
e) ***List of councillor or member responsibilities.*** Councillors' names are listed on the website.
f) ***The details of public land and building assets (Asset Register).*** Yes, but an out-of-date asset register has been published on the website (a copy dated 31 March 2022).
g) ***Minutes, agendas and meeting papers of formal meetings***. Yes, published on the website.

10.3 The Council is meeting the requirements of the Transparency Code.

TREVOR BROWN CPFA
Internal Audit Services
Charnwood, California, Woodbridge, Suffolk IP12 4DE
Tel: 01394 384698 or 07587 523764 Email: trevor@tcdbrown.co.uk

10.4 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 dates of the period of the exercise of public rights were 18 June 2025 to 30 July 2025. 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, Inspection Dates, Details of Person to contact to view the accounts and the Details of the person making the announcement.

10.5 The remaining documents required to be published for the year 2024/25, as listed in the AGAR Page 1 Guidance Notes (including the Bank Reconciliation, the Explanation of Variances and the Certificate of Exemption), were found to be easily accessible on the website.

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

11.1 The Council's Payroll Services are being operated by Sword and Trowel Bookkeeping Limited. The Clerk/RFO's salary is paid monthly following the necessary advice/instruction from the Payroll Services provider. PAYE is in operation and a detailed payslip is provided to the Clerk/RFO.

11.2 On 12 July 2024 an inadvertent duplication of the salary payment of £379.05 was made to the Clerk/RFO who made a refund to the Council's bank account on 9 June 2025, within the 2025/26 year. The repayment has been correctly accounted for as a reduction from the payments side of the accounts.

11.3 As at 31 March 2026 the Clerk/RFO was being paid at SCP 28 for 21 working hours per month.

11.4 With regard to the legislative requirements relating to workplace pension schemes, the Clerk/RFO confirmed that on 17 September 2024 a re-declaration had been completed on behalf of the Council and submitted to the Pension Regulator. (The re-declaration of compliance confirms to the Pensions Regulator that the Council complies with its duties as an employer and has to be completed every three years).

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 The Register of Assets was reviewed and accepted by the Council at its meeting on 9 March 2026.

12.2 The Register shows a value of £15,695 as at 31 March 2026, an increase of £1,067 from the value at the end of the previous year, 31 March 2025, and reflects the acquisition of a Notice Board in the year of account.

TREVOR BROWN CPFA
Internal Audit Services
Charnwood, California, Woodbridge, Suffolk IP12 4DE
Tel: 01394 384698 or 07587 523764 Email: trevor@tcdbrown.co.uk

12.3 The Register complies with the current requirements which provide that each asset should be recorded at a consistent valuation, year-on-year.

13. 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).*

13.1 The Council has internal financial controls in place. The Clerk/RFO provides detailed financial reports to Council meetings, including bank balances. Councillors are provided with information to enable them to make informed decisions. Receipts and payments are listed in the Council's Minutes as part of the overall financial control framework.

13.2 The Council noted at the meeting on 10 November 2025 that the Councillor Internal Controller had completed the internal control checks for the period April 2025 to September 2025. Similarly, the Council noted at the meeting on 9 March 2026 that the Councillor Internal Controller had completed the internal control checks for the period October and November 2025.

13.3 Payments are being made by online banking and the Clerk/RFO confirmed that:

a) An Internet Banking Policy was adopted by the Council on 14 November 2022 and is now due for review.

b) The Clerk/RFO provides the invoices/vouchers to meetings of the Council. The payments, as detailed on the invoices and listed on the agenda, are approved by the Council. One Councillor then sets up the payments and signs the invoices/vouchers. All documents are passed to another Councillor to authorise the payments and sign the vouchers, which are returned to the Clerk/RFO, who has view-only access to the bank accounts.

c) Nominated Councillors have been specifically authorised to approve transactions generated by the Clerk/RFO.

d) The procedure for making payments online has been briefly documented in the Council's Financial Regulations.

13.4 The Internal Audit Report for the previous year 2024/25 was received and noted by the Council at its meeting on 9 June 2025.

13.5 The Council appointed the Internal Auditor for the 2025/26 year at its meeting on 9 March 2026.

TREVOR BROWN CPFA
Internal Audit Services
Charnwood, California, Woodbridge, Suffolk IP12 4DE
Tel: 01394 384698 or 07587 523764 Email: trevor@tcdbrown.co.uk

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

14.1 An External Audit was not required in the year 2024/25. At its meeting on 9 June 2025 the Council agreed to complete the Certificate of Exemption from a Limited Assurance Review for that year.

14.2 Similarly, as the higher of gross income or gross expenditure did not exceed £25,000 in the year of account ending 31 March 2026, the Council is able to certify itself exempt from a Limited Assurance Review under Section 9 of the Local Audit (Smaller Authorities) Regulations 2015. The Council can accordingly prepare a Certificate of Exemption from a Limited Assurance Review for the year 2025/26 for submission within the due date to PKF Littlejohn LLP.

15. Additional Comments.

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

Trevor Brown

Trevor Brown

Chartered Institute of Public Finance and Accountancy

Internal Auditor

12 June 2026

TREVOR BROWN CPFA
Internal Audit Services
Charnwood, California, Woodbridge, Suffolk IP12 4DE
Tel: 01394 384698 or 07587 523764 Email: trevor@tcdbrown.co.uk