

## **Report to Wickham Skeith Parish Council**

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

#### **1. Introduction and Summary.**

1.1 The Internal Audit confirmed that the 2025/26 financial year has been a challenging one for the Council. The current Clerk and Responsible Financial Officer (RFO), Tina Newell, is committed in assisting the Council to secure and maintain effective governance arrangements and a robust framework of internal financial control and risk management and has made step-change improvements since taking up her duties on 25 September 2025.

1.2 By examination of the 2025/26 accounts and supporting documentation it was confirmed that the Clerk/RFO is undertaking the administration of the Council's financial affairs to a high standard and is producing financial management information to enable the Council to make well-informed decisions.

1.3 The Accounts for the year confirm the following:

*Total Receipts for the year: £8,811.34*  
*Total Payments in the year: £17,177.35*  
*Total Reserves at year-end: £24,811.40*

1.4 The Annual Governance and Accountability Return (AGAR) for the year 2025/26 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: £33,177</i>
<i>Annual Precept 2025/26:</i>	<i>Box 2: £5,900</i>
<i>Total Other Receipts:</i>	<i>Box 3: £2,911</i>
<i>Staff Costs:</i>	<i>Box 4: £2,833</i>
<i>Loan interest/Capital repayment:</i>	<i>Box 5: £0</i>
<i>All Other payments:</i>	<i>Box 6: £14,344</i>
<i>Balances carried forward (31 March 2026):</i>	<i>Box 7: £24,811</i>
<i>Total cash/short-term investments:</i>	<i>Box 8: £24,811</i>
<i>Total fixed assets:</i>	<i>Box 9: £15,764</i>
<i>Total borrowings:</i>	<i>Box 10: £0</i>

1.5 Sections One and Two of the AGAR are due to be approved at a forthcoming meeting of the Council. 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 Council's Engagement Letter dated 26 March

2026 and the agreed schedule of work. Comments and any recommendations arising from the review are made below.

**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 15 May 2025 but the Clerk/RFO confirmed that Minutes for that meeting cannot be located and accordingly are unavailable to the Internal Auditor to confirm that all relevant legislative requirements have been met.

2.2 The Council next met on 8 September 2025, when a Chairman was elected for the year 2025/26 and Councillors resolved to appoint Tina Newell as Clerk for the meeting. The Minutes of the Annual Parish Council meeting were unavailable for approval/signature due to the resignation of the Clerk/RFO, Mr D Rayner; all Finance and Governance matters were deferred to a later meeting.

2.3 At the meeting on 6 October 2025 the Council appointed Councillors to its Working Groups.

2.4 **Standing Orders** are in place. At the meeting on 19 January 2026 the Council reviewed and adopted the NALC model Standing Orders. A copy has been published on the Council's website.

2.5 **Financial Regulations** are also in place, the NALC model Financial Regulations having been reviewed and adopted by the Council on 19 January 2026. A copy has been published on the Council's website.

2.6 A **Responsible Financial Officer (RFO)** is in place. At the meeting held on 25 September 2025 the Council appointed Tina Newell as Clerk/RFO, who signed the Contract of Employment, countersigned by the Chair on behalf of the Council.

2.7 The Council's **Minutes** are currently well presented and provide clear evidence of the decisions taken by the Council in the year. The Council demonstrates good practice by publishing draft Minutes (prior to formal approval by the Council) to keep residents advised of Parish Council business. The Clerk/RFO confirmed that each page of the Minutes is signed/initialled by the person acting as Chair of the meeting at which the Minutes are approved.

2.8 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 ZB539832 refers, expiring 16 July 2026).

2.9 The Council maintains a number of **Policies, Procedures and Protocols** to demonstrate compliance with the General Data Protection Regulations (GDPR) including:

*Data Protection*  
*Data Processing*  
*Lawful basis for processing data*  
*Subject Access Request*  
*Document Retention*

2.10 At its meeting on 2 March 2026 the Council noted the Data (GDPR) Audit carried out by the Clerk/RFO and agreed to adopt the review as accurately reflecting the data processed by the Council. Councillors agreed to carry out on-line training on GDPR using the Information Commissioner's website.

2.11 The Council demonstrates good practice by maintaining and reviewing a wide range of other formal Policies and Procedures. At its meeting on 19 January 2026 the Council adopted the following Policies and Procedures:

*Co-option*  
*Data Breach*  
*Complaints*  
*Disciplinary*  
*Equal Opportunities Grievance*  
*Information Technology*  
*Privacy Model*  
*Sickness absence*  
*Vexatious Complaints*  
*Publication Scheme*  
*Compassionate Leave*  
*Dignity at Work*  
*Internet banking*  
*Lone working*  
*Reserves*  
*Safeguarding*

2.12 A Biodiversity Policy was adopted by the Council on 2 March 2026.

2.13 The Model Publication Scheme under the Freedom of Information Act has been published on the Council's website.

2.14 The Council adopted the model LGA **Councillors' Code of Conduct** at its meeting on 19 January 2026. A copy of the Code has been published on the Council's website.

2.15 At the meeting on 25 September 2025 the Council noted the requirement to have official Parish Council email addresses and agreed to register the domain name 'wickhamskeith-pc.gov.uk' at a cost of £150.00 hosting fee per year for 10GB of storage.

2.16 At the meeting on 19 January 2026 the Council noted Assertion 10 'Digital and Data Compliance' will form part of the Annual Governance Accountability Review for the year 2025/26 and to give a positive response the Parish Council needs to have taken the following actions:

a) Email management – every authority must have a generic email account hosted on an authority owned domain; Councillors noted the Council is compliant with the introduction of wickhamskeith-pc.gov.uk emails.

b) The website must meet the Web Content Accessibility Guidelines 2.2 AA and the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018; Councillors noted the Clerk/RFO carries out regular checks using 'Wave website extender' and agreed any issues are to be passed to the web host (One Suffolk) for action.

c) Websites must include published documentation as specified in the Freedom of Information Act 2000 and the Transparency Code for smaller authorities (where applicable and smaller authorities must follow the General Data Protection Regulation (GDPR) 2016 and the Data Protection Act (DPA) 2018; All Councillors noted that, with the adoption of policies earlier at the meeting on 19 January 2026, the Council is now compliant.

d) All smaller authorities must process personal data with care and in line with the principles of data protection. The DPA 2018 supplements the GDPR and classifies a Parish Council as both a Data Controller and a Data Processor; Councillors noted the policies were agreed earlier in the meeting.

e) All smaller authorities must have an IT Policy explaining how Councillors and Staff should conduct authority business in a secure and legal way when using IT equipment and software. This relates to the use of authority-owned and personal equipment; with the adoption of the IT Policy earlier at the meeting the Council agreed it is compliant.

2.17 The Clerk/RFO has confirmed and provided evidence that the above requirements have been met and that the Council is able to provide positive affirmation to Assertion 10 in the AGS.

### **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 facilitates an audit trail to the Bank Statements and the financial information prepared by the Clerk/RFO.

3.2 Supporting invoices/vouchers to the 2025/26 transactions are maintained by the Clerk/RFO. VAT payments are tracked and identified within the Accounts to assist with reclaims to HMRC.

3.3 Re-claims are being submitted to HMRC for VAT paid. The Clerk/RFO advised the Council on 6 October 2025 that the VAT reclaim of £175.61 for the year 2024/25 had been received on 16 May 2025.

3.4 As the Council is unable to declare its eligibility to apply the General Power of Competence, the Accounts have to separately identify if any payments are made under the Local Government Act 1972 Section 137. No payments were recorded as made under Section 137 in the 2025/26 year.

3.5 A Community Infrastructure Levy (CIL) Annual Report for 2025/26 has been prepared by the Clerk/RFO and confirms the £27,081.17 balance carried over from the previous year with £0 CIL income in the year. The total amount of £6,768.59 was spent in the year as follows:

Base for container at Hall:	£196.46
50% cost of new benches:	£631.16
50% cost of new benches:	£631.16
Macbook:	£845 81
Village hall noticeboard:	£1,425.00
History notice board:	£719.00
Storage Container:	£2,320 00

3.6 CIL funds retained as at the year-end were accordingly £20,312.58. The CIL Annual Report for 2025/26 has been published on the Council's website and has to be submitted to the District Council no later than 31 December 2026.

3.7 An Explanation 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 submission to the External Auditors and publication on the Council's website. The External Auditors normally require an explanation where the balance at the end of the year is more than double the amount of the Precept and the Clerk/RFO can address this matter within the Explanation of Variances form.

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

4.1 At the meeting held on 25 September 2025 the Council resolved to open, as soon as practicably possible, Current and Savings Accounts with Unity Trust Bank. The Council agreed that the transfer from Barclays to Unity Trust would be automatic using the Current Account Switching Service offered by Unity Trust. Tina Newell would be the administrator of the Unity Trust bank accounts allowing payments to be set up and transactions and statements viewed but with no access to release payments. Three Councillors were to have access to view transactions and statements and set up and authorise payments.

4.2 Due to the Council not meeting between May and September 2025, the first detailed financial data was received at the meeting on 6 October 2025, when all Councillors present confirmed receipt prior to the meeting of the financial reports for the period ended 12 September 2025. A non-signatory Councillor verified that the bank statements agreed to the bank reconciliations as presented confirming the total cash available as £35,255.30 (£18,748.91 in Barclays Community and £16,506.39 in Barclays Premium).

4.3 At the meeting on 19 January 2026 the Council noted that day to day banking was now operational with Unity Trust Bank with the Clerk/RFO as Administrator with 3 Councillors named as Authorised Users.

4.4 As at 31 March 2026 the bank statement for the Unity Trust Bank Current Account displayed £24,807.91 and the Barclays Bank Account displayed £3.49, giving a total of £24,811.40 which reconciled with the End-of-Year accounts and agreed with the overall Bank Reconciliation.

**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 and were well presented by the Clerk/RFO. Sample audit trails were undertaken and were found to be in order.

**6. Transparency Code (Compliance for smaller councils with income/expenditure under £25,000) and Publication Requirements (Notice of the period for the exercise of public rights).**

6.1 Under the provisions of the Transparency Code, Wickham Skeith Parish Council can be designated as a 'Smaller Council'.

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

6.2 Smaller authorities should publish on their website:

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

6.3 The Transparency Code is being complied with in full.

6.4 The Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015 required 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, Inspection Dates, Details of Person to contact to view the accounts and the Details of the person making the announcement.

6.5 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 at the date of the audit as being easily accessible on the Council's website.

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

7.1 On the meeting on 19 January 2026 the Council agreed for Councillor Bowes (Chairperson) to undertake the annual review of the Internal Controls. At the meeting on 2 March 2026 the Council acknowledged that a review of the Internal Controls had been completed and resolved to adopt the document as reviewed (Minute 020326/46 refers).

7.2 Also at the meeting on 2 March 2026 the Council reviewed and approved the following risk assessments (Minutes 020326/43 - /45 refer):

Financial  
Speed Indicator Devices  
Workplace Bullying

7.3 The Risk Assessments are comprehensive and list the risks/hazards identified, an assessment of the probability and severity and the control measures in place to eliminate/mitigate the risks involved. A further column in the risk assessments details the monitoring action and any further action required.

7.4 The Council accordingly complied with the Accounts and Audit Regulations 2015 which require a review by the full Council at least once a year of the effectiveness of the Council's system of internal control, including the arrangements for the management of risk, with the review suitably Minuted.

7.5 At the meeting on 6 October 2025 the Council noted that insurance cover for the period 6 October 2025 to 30 September 2026 has been renewed with Ansvar via CAS (Community Action Suffolk) at a premium of £424.75; all risks assets were covered at £3,900 and municipal infrastructure covered for £7,000. Employer's Liability cover and Public Liability cover each stand at £10m. The Councillor/Employee Fraud (Fidelity Guarantee) cover stands at £100,000 and meets 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.

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

Precept 2025/26: £5,900.00 (13 January 2025, Minute 7d refers).

Precept 2026/27: £7,272.44 (19 January 2026, Minute 190126/48 refers).

8.1 The draft budget for 2025/26 was discussed by the Council on 13 January 2025 and, after some adjustments, the Budget and Precept were unanimously agreed at £5,900 for 2025/26.

8.2 At the meeting on 19 January 2026 the Council resolved to set the budget for 2026/27 at £7,272.44. Noting the only receipt to support the budget was from the Precept and noting the tax base has a 2.5% reduction on last year, the Council agreed to increase the precept to £7,272.44 resulting in an increase on an average Band D residence of £9.87 a year.

8.3 Examination of the accounts and supporting documentation confirmed that the Council prepared estimates of the annual budget and of receipts and payments. The Precepts were agreed in Full Council; the precept decisions and amounts have been clearly Minuted.

8.4 Budgetary control procedures were in place. The Clerk/RFO presented the Council with budget to actual reports. At the meeting on 2 March 2026 the Council noted that payments were £1,367.90 over budget at that time; with receipts only £407.85 above budget the Council noted that the General Reserve would be used to fund payments to 31 March 2026.

8.5 A Reserves Policy is in place which sets out how the Council will determine and review the level of reserves. The Policy provides that the current level of General Reserves to be held by the Council should be in accordance with Proper Practices in that *'The generally accepted recommendation with regard to the appropriate minimum level of a Smaller Authority's General Reserve is that this should be maintained at between 3 and 12 months' equivalent of the Net Revenue Expenditure (NRE)'*.

8.6 At its meeting on 2 March 2026 the Council reviewed and approved the amount of General Reserves maintained at that date and held in the Unity Trust Bank Account.

8.7 The Overall Reserves held as at 31 March 2026 was £24,811.40 of which £23,338.90 has been earmarked for specific projects or held as CIL Restricted Reserves as follows

CIL Funds (Restricted):	£20,312.58
Defibrillator Fund:	£2,296.32
Election Fund:	£600.00
Audit Fund:	£130.00

**8.8 General Reserves (Overall Reserves less Earmarked/Restricted Reserves) as at 31 March 2026 accordingly totalled £1,472.50 (20% or 2.4 months' equivalent of the 2026/27 Precept) and (at that date) were marginally less than the required level as stated in the Council's Reserve Policy and the SAPP Best Practice Guidelines. In this respect, it is important that the Council maintains sufficient reserves and contingency sums to meet, within reason, any unforeseen items of expense that may occur.**

**9. Income Controls (*regarding sums received from Precept, Grants, Loans and other income*).**

9.1 Receipts are reported to the Council as a matter of routine and recorded in the Minutes of the Council's meetings.

9.2 The Receipts recorded in the Cashbook Spreadsheet totalled £8,811.34 and consisted of:

Precept (£5,900)  
MSDC Locality Grant (£2,500)  
VAT Reclaimed from HMRC (£175.61)  
Interest (£157.24)  
Miscellaneous (£75)  
Interest (3.49)

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

10.1 No Petty Cash is held; an expenses system is in place with payments being made for expenses incurred in the year.

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

11.1 At its meeting on 25 September 2025 the Council resolved to appoint Tina Newell as Clerk/RFO on NJC salary scale point 25 at 4 hours per week with a weekly office allowance. A Contract of Employment is in place. The Council agreed at its meeting that Payroll Services would be undertaken by SALC. Detailed pay slips are in place.

11.2 With regard to the legislation relating to workplace pensions, on 21 April 2026 the Clerk/RFO completed a re-declaration of compliance under the Pensions Act 2008 had been submitted to the Pensions 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 An Asset Register is in place. The Register was reviewed by the Council at its meeting on 2 March 2026 when it was agreed that the Register reflected all assets owned by the Parish Council at that time.

12.2 As at 31 March 2026 the Asset Register displayed a total value of £15,764, an increase of £6,915 over the value of £8,849 at the end of the previous year, 31 March 2025 and reflects the following additions in the year:

Macbook:	£846
Elan SID:	£2,500
Benches:	£1,425
History Noticeboard:	£719
Noticeboard:	£1,425

12.3 The Register records the original purchase cost, where known. The Register complies with the current requirements which provide that each asset should be recorded at a consistent value, year-on-year.

12.4 The Council displays good practice by ensuring the Register also maintains a column to record the insurance value of assets and acts as a check to the Council that all assets are appropriately insured.

12.5 The value of the Assets has been correctly placed in Box 9 of Section 2 of the 2025/26 AGAR.

**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. Identifying VAT payments and re-claims. Any previous audit recommendations implemented*).**

13.1 The Clerk/RFO is working with commitment to ensure that the Council has satisfactory internal financial controls in place. The Clerk/RFO provides each Council meeting with Finance Reports which are considered and approved by the Council. Bank Balances and completed Bank Reconciliations are routinely and formally presented to Council by the Clerk/RFO and the action Minuted. Councillors are also provided with details of payments compared to budgeted amounts.

13.2 Internet Banking is in place. The Internet Banking Policy was adopted on 19 January 2026 (Minute reference: 190126/43). The Policy provides that:

1. *'All orders for payment will be verified for accuracy by the Parish Clerk and included on a payment schedule.*

2. *The schedule of all payments shall be prepared by the Parish Clerk and presented to each meeting of the Council together with any supporting invoices or other documentation for approval. The approved schedule will be initialled by the Chairman of the meeting.*
3. *The Parish Clerk will initiate payment (as 1<sup>st</sup> Authoriser).*
4. *One of the authorised Councillors will confirm the payments online (from the list of authorised Councillors held by the Barclays Bank \* ). Councillors are expected to authorise payments requests within two days of the payment being initiated by the Clerk.*
5. *Where a councillor is to be reimbursed for expenditure, they should not be an authoriser (in the case of internet payments), or a signatory (in the case of cheque payments). Payments to councillors must not be made between meetings; they should only be made following agreement at a meeting.'*

\* Requires amendment/addition of Unity Trust Bank

13.3 The Council receives a schedule of receipts and payments to enable Councillors to approve the listed payments. The List of Receipts and Payments presented and approved by the Council at each meeting is listed in the Minutes of the Council.

13.4 A number of cheques were prepared in the year 2025/26. The cheque counterfoils of the cheques prepared by the Council were signed/initialled by Signatories to confirm agreement of the details shown on the cheque, in compliance with the Council's Financial Regulation 8.3

13.5 The Annual Internal Audit report for the previous year (2024/25) was dated 27 June 2025 and undertaken by Heather Heelis. The Report put forward one recommendation; that the Council should undertake and Minute a review of the risk assessments and internal controls during the year of audit. The Clerk/RFO confirmed to the Council on 6 October 2025 that the review of the risk assessments and internal controls would be taking place before April 2026.

13.6 At its meeting on 6 October 2025 the Council appointed the Internal Auditor for the 2025/26 year and agreed the Audit Plan for the year.

#### **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 as the higher of gross income or gross expenditure did not exceed £25,000 in the year of account. The Certificate of Exemption was approved by the Council at its meeting 7 May 2025. A copy of the form has been published on the Council's website. At the Council's meeting on 6 October 2025 the Clerk/RFO reported that the Council had received from the External Auditors, PKF Littlejohn LLP, formal notification of its exemption status for the year, thus concluding the 2024/25 year-end.

14.2 For the year 2025/26 the Council may similarly apply for Exemption from a Limited Assurance Review under Section 9 of the Local Audit (Smaller Authorities) Regulations 2015 as the higher of gross income or gross expenditure did not exceed £25,000 in the year of account.

**15. Additional Comments.**

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

*Trevor Brown*

**Trevor Brown**

**Chartered Institute of Public Finance and Accountancy**

**Internal Auditor**

**22 April 2026**