

Internal Audit Report 2025/26

PARISH COUNCIL

Weasenham Parish Council

INTERNAL AUDITOR	Faye Haywood, CMIIA, CIA
RFO	Gail Robinson
DATE	19/05/2026

Overview

The Accounts and Audit Regulations 2015 require parish councils to undertake an effective internal audit each year to review the adequacy and effectiveness of their systems of internal control, including risk management, governance, and financial procedures.

Approach

The internal auditor has undertaken a risk-based assessment of the Council's key systems and controls to inform the audit approach for 2025/26. The review has been designed to provide independent assurance on the adequacy and effectiveness of the Council's internal control framework, including financial management, governance, risk management, and compliance with relevant legislation and proper practices.

Audit work has been aligned to the assertions set out in the Annual Governance and Accountability Return (AGAR) and includes consideration of emerging areas of risk, including digital governance and data protection.

Observations and management action plan (MAP)

Key observations requiring action from the Parish Council are included within the table below with an action owner and timeframe.

Ref	Observation	Recommendation	Agreed Action	Owner and timeframe
Where a No or Not Covered has been determined on the AGAR				
1. Section F	<p>Petty cash payments were properly supported by receipts; all petty cash expenditure was approved and VAT appropriately accounted for.</p> <p>Weasenham Parish Council does not maintain petty cash. This section has therefore been marked as 'Not Covered'.</p>	None	n/a	n/a
Other Observations – Yellow Category - Minor weakness or inconsistency identified, improvement recommended to strengthen governance.				
2.	<p>Payments in the cashbook are supported by purchase orders and invoices. These have been authorised and minuted. Sample testing confirmed that payments recorded within the cashbook were generally supported by invoices and appropriately authorised through the Council's approval process and minutes. However, some supporting documentation was retained outside of the Scribe system, reducing the completeness of the audit trail held within the accounting records. A similar finding was raised within the 2024/25 internal audit.</p>	It is recommended that supporting documentation is consistently retained within Scribe to maintain a complete and accessible audit trail.	Accepted	Parish Clerk - 19 June 2026
3.	<p>The Council has formally adopted standing orders and financial regulations</p> <p>The Council reviewed and updated its Standing Orders in January 2026 and Financial Regulations in May 2025, reflecting current procurement legislation including the Procurement Act 2023 and partially implementing recommendation 3 from the 2024/25 internal audit report. At the time of audit, the published Standing Orders had not yet been updated to reflect the revised review date.</p>	It is recommended that updated versions of governance documents are uploaded to the Council's website promptly following review and adoption	Accepted	Parish Clerk - 19 June 2026

Ref	Observation	Recommendation	Agreed Action	Owner and timeframe
4.	<p>Purchases represent best value for money and transparency and fairness in the process can be demonstrated. i.e. quotes and tenders have been evaluated in accordance with agreed procedures.</p> <p>Sample testing confirmed that procurement activity reviewed during the audit demonstrated transparency and value for money. Quotations obtained for the grass cutting contract were reviewed and no concerns were identified regarding compliance with agreed procedures.</p> <p>At the time of audit, a signed agreement for the grounds maintenance contract was not in place. The Council advised that efforts had been made to obtain a signed contract from the contractor, however, these had not yet been successful.</p>	It is recommended that the Council continues to seek to formalise significant service arrangements through signed agreements where practicable, to support clarity of responsibilities and reduce operational risk.	Accepted	Parish Clerk - 19 June 2026
5.	<p>The reserves policy has been reviewed and reported to the council. The level and rationale for reserves is transparently published.</p> <p>The Council has considered reserve levels within budget discussions however the approach to reserves has not been formalised through a reserves policy in line with JPAG good practice guidance.</p>	Consideration should be given to formalising the Council's approach to reserves through the adoption of a reserves policy, in line with JPAG good practice guidance.	Accepted	Parish Clerk - 19 June 2026
6.	<p>Income accurately recorded</p> <p>No significant issues were identified from sample testing of income records, although a minor immaterial variance was noted between community centre income records and the cashbook.</p>	The Council may wish to periodically reconcile community centre income records to the accounting records to support completeness of the audit trail.	Accepted	Parish Clerk - 19 June 2026
7.	<p>Key governance policies are in place, reviewed in line with stated cycles, and reflected accurately on the Council's website.</p> <p>The Freedom of Information guidance published on the Council's website displayed an outdated review date at the time of audit; however, evidence confirmed that the document had been reviewed by the Council.</p>	Consideration should be given to ensuring website versions of approved policies are updated promptly following review.	Accepted	Parish Clerk - 19 June 2026

Ref	Observation	Recommendation	Agreed Action	Owner and timeframe
8.	<p>Digital governance arrangements are in place, including use of official email, website compliance, and data protection controls.</p> <p>Official council email accounts are in place, and key governance information is published on the Council's website, including a privacy notice. No data breaches were recorded during the year reviewed. It was noted that the Council's risk assessment does not currently explicitly reference data protection or cyber security risks.</p>	<p>Consideration should be given to including data protection and cyber security risks within the Council's risk assessment process, in line with evolving JPAG good practice guidance.</p>	Accepted	Parish Clerk - 19 June 2026
9.	<p>Internal Audit reports are published, and recommendations are tracked and implemented</p> <p>The 2024/25 internal audit report has been published on the Council's website. Of the seven applicable recommendations raised in the 2024/25 audit, 3 have been implemented. Progress has been made against the remaining recommendations, with improvements noted in each area.</p>	<p>It is recommended that the Council formally reviews and monitors progress against internal audit recommendations through the Council meeting process, in line with JPAG good practice guidance.</p>	Accepted	Parish Clerk - 19 June 2026

Conclusion

The internal audit for the 2025/26 financial year identified that Weasenham Parish Council generally has appropriate systems and controls in place to support compliance with the Accounts and Audit Regulations 2015 and the expectations set out within the JPAG Practitioners' Guide.

The audit identified that the Council has appropriate arrangements in place for financial management and governance proportionate to its size and level of activity. Progress was also noted in relation to recommendations raised within the 2024/25 internal audit report.

A small number of low-level recommendations have been raised to further strengthen governance arrangements and administrative consistency. These relate primarily to the retention of supporting documentation within the Scribe accounting system, formalisation of certain governance and contractual arrangements, maintaining up-to-date governance documents on the Council's website, consideration of reserve arrangements in line with JPAG good practice guidance, and the inclusion of digital and data-related risks within the Council's risk assessment process.

I would like to thank the Parish Clerk for their assistance, cooperation, and provision of information during the course of the internal audit.

Disclaimer

This internal audit has been carried out in accordance with the requirements set out in the Joint Panel on Accountability and Governance (JPAG) Practitioners' Guide and is based on the evidence made available. The audit provides an independent and reasonable assessment of the systems of internal control and financial governance in place during the financial year.

It should be noted that the internal audit is not an exhaustive review of all transactions and activities, nor does it constitute a detailed forensic or investigative audit. The responsibility for ensuring the council's compliance with legislation, proper accounting, and effective financial management remains with the members of the council.

Appendix 1- Internal Audit Assessment



	Green - Controls in place and working effectively.
	Yellow - Minor weakness or inconsistency identified, improvement recommended to strengthen governance.
	Amber - A control gap or compliance issue exists. Action needed to mitigate risk, though not urgent or high impact.
	Red - Significant issue or failure of control. Immediate attention required to ensure compliance or mitigate serious risk.

Area	Assessment	RAG	Observations
Bookkeeping	<i>The cash book is maintained and up to date</i>		The cash book is maintained using the Scribe accounting system and was found to be up to date at the time of audit. Sample testing confirmed transactions were appropriately recorded.
Standing Orders	<i>The Council has formally adopted standing orders and financial regulations</i>		The Council reviewed and updated its Standing Orders in January 2026 and Financial Regulations in May 2025, reflecting current procurement legislation including the Procurement Act 2023 and partially implementing recommendation 3 from the 2024/25 internal audit report. At the time of audit, the published Standing Orders had not yet been updated to reflect the revised review date.
	<i>An RFO has been appointed with responsibilities in accordance with relevant legislation and guidance.</i>		The Clerk has been formally appointed as Responsible Financial Officer.
Financial Procedures	<i>Purchases represent best value for money and transparency and fairness in the process can be demonstrated. i.e. quotes and tenders have been evaluated in accordance with agreed procedures.</i>		<p>Sample testing confirmed that procurement activity reviewed during the audit demonstrated transparency and value for money. Quotations obtained for the grass cutting contract were reviewed and no concerns were identified regarding compliance with agreed procedures.</p> <p>At the time of audit, a signed agreement for the grounds maintenance contract was not in place. The Council advised that efforts had been made to obtain a signed contract from the contractor; however, these had not yet been successful.</p>

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Area	Assessment	RAG	Observations
	<i>Payments in the cashbook are supported by purchase orders and invoices. These have been authorised and minuted.</i>	Yellow	Sample testing confirmed that payments recorded within the cashbook were generally supported by invoices and appropriately authorised through the Council’s approval process and minutes. However, some supporting documentation was retained outside of the Scribe system, reducing the completeness of the audit trail held within the accounting records. A similar finding was raised within the 2024/25 internal audit although improvements were noted during the current review.
	<i>VAT payments have been identified, recorded and claimed.</i>	Green	VAT reclaim submitted in September 2025 and sample tested for accuracy. No issues were identified from the review of VAT arrangements.
Budgetary Control	<i>The council has prepared an annual budget in support of its precept and this has been approved.</i>	Green	The Council prepared and approved an annual budget in support of the 2025/26 precept. Budget setting and financial assumptions were discussed within Council minutes.
	<i>The precept has been calculated from the budget and approved by the parish council.</i>	Green	The precept was approved by the Council and was supported by the approved budget for 2025/26.
	<i>Budget against actual expenditure has been regularly reported to council.</i>	Green	Budget monitoring is evidenced through Council minutes, including discussion of variances and financial performance throughout the year.
	<i>Significant budget variances have been explained and reported.</i>	Green	

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Area	Assessment	RAG	Observations
Income Controls	<i>Income accurately recorded</i>		No significant issues were identified from sample testing of income records, although a minor immaterial variance was noted between community centre income records and the cashbook.
	<i>The precept received agrees to the Council Tax authorities' notification.</i>		The precept received during 2025/26 was agreed to the published Breckland Council parish precept schedule and Council approval minutes.
	<i>Cash and near cash equivalents are adequately managed and secured.</i>	n/a	Weasenham Parish Council does not maintain petty cash.
Payroll	<i>Employees have contracts of employment with clear terms and conditions.</i>		An employment contract is in place for the Clerk/RFO.
	<i>Payroll payments are appropriately approved and statutory payroll requirements are complied with.</i>		Sample testing confirmed that salary payments reviewed during the audit agreed to approved pay arrangements, complied with applicable National Minimum Wage/National Living Wage requirements, and that PAYE/NIC deductions appear to have been appropriately applied.
	<i>Auto-enrolment/pension obligations are being appropriately considered. Pension contributions have been regularly reconciled with payroll records and pension provider statements to verify accuracy.</i>	n/a	Not applicable.

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	<i>Other payments to employees i.e. expenses are reasonable and approved by council.</i>		Sample testing confirmed that employee and member expense payments reviewed during the audit were reasonable and appropriately approved by the Council. One instance was noted where a receipt for defibrillator pads was not retained within the Scribe system. Recommendation raised with respect to payment record keeping in finding 2.
Assets and Liabilities	<i>The council maintains a register of all material assets and land owned or in its care and its liabilities.</i>		The Council maintains an asset register within the Scribe accounting system, recording assets and land under its ownership or care.
	<i>Independent valuations agree with those recorded in the asset register</i>		N/A the Council advised that asset valuations for insurance purposes are currently under review.
	<i>Additions and disposals have been formally minuted.</i>		No asset additions or disposals were identified during the year.
Bank Reconciliation	<i>Regular and timely bank reconciliations have been completed for each account, and these are reported to Council.</i>		Sample testing confirmed that bank reconciliations had been regularly prepared and reported to the Council throughout the year
	<i>Reconciliation discrepancies are identified and resolved.</i>		No reconciliation discrepancies were identified from the sample of reconciliations reviewed during the audit.
Financial Accounts Reporting	<i>Financial statement balances match to cashbook records.</i>		Financial statement balances agreed to the underlying accounting records and year-end bank statements.
Risk Management	<i>The Council has a Risk Management Policy, and regular risk assessments are undertaken and reviewed by Councillors.</i>		The 2024/25 internal audit recommendation has been implemented. The Council has adopted a Risk Management Policy, and an annual risk assessment was undertaken and discussed, as evidenced through Council minutes.

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Insurance	<i>Insurance arrangements are reviewed periodically and remain in place.</i>		Insurance arrangements remain in place and the Council is currently reviewing asset valuations for insurance purposes.
Digital Governance & Data	<i>Digital governance arrangements are in place, including use of official email, website compliance, and data protection controls.</i>		Official council email accounts are in place, and key governance information is published on the Council's website, including a privacy notice. No data breaches were recorded during the year reviewed. It was noted that the Council's risk assessment does not currently explicitly reference data protection or cyber security risks.
Reserves Policy	<i>The reserves policy has been reviewed and reported to the council. The level and rationale for reserves is transparently published.</i>		The Council has considered reserve levels within budget discussions. Consideration may be given to formalising this approach through a reserves policy in line with JPAG good practice guidance.
Governance & Compliance	<i>Key governance policies are in place, reviewed in line with stated cycles, and reflected accurately on the Council's website.</i>		The Freedom of Information guidance published on the Council's website displayed an outdated review date at the time of audit; however, evidence confirmed that the document had been reviewed by the Council. Consideration should be given to ensuring website versions are updated promptly following review.
	<i>GPoC Eligibility resolutions and clerk qualifications have been minuted.</i>	n/a	No evidence identified that the Council is operating under the General Power of Competence.
	<i>The Council has adopted and regularly reviews its Code of Conduct.</i>		The 2024/25 internal audit recommendation has been implemented. The Council has reviewed and updated its Code of Conduct (November 2025), which reflects current guidance and good practice.

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Area	Assessment	RAG	Observations
	<i>Minutes for the whole year are available on the website.</i>		A full set of Council minutes for the period reviewed was available on the Council’s website and reviewed during the audit, with no issues noted.
	<i>Payments of over £100 are detailed on website.</i>		All payments over £100 were available within the published Council minutes reviewed during the audit, with no issues noted.
	<i>Chair declaration of office on agenda.</i>		Council minutes evidenced the appointment of the Chair during the year reviewed.
	<i>Proper provision has been made for the exercise of electors’ rights</i>		The prior year exercise of public rights was reviewed and found to be in line with statutory requirements.
	<i>Internal Audit reports are published, and recommendations are tracked and implemented</i>		The 2024/25 internal audit report has been published on the Council’s website. Of the seven applicable recommendations raised in the 2024/25 audit, three have been fully implemented. Progress has been made against the remaining recommendations, with improvements noted in each area.
Charities	<i>The council has met its responsibilities as a trustee.</i>		The Council’s role as trustee for the associated charities was evidenced through Council minutes and Charity Commission records. Required filings appeared to be up to date at the time of audit.
	<i>Charity information is publicly available and appears to be filed in accordance with requirements.</i>		