

<p>Risk Assessment</p> <p>HIGH MEDIUM LOW 16</p>	<p style="text-align: center;">West Farleigh Parish Council INTERNAL AUDIT 2025-2026 AUDIT PLAN WITH COMMENTS / FINDINGS</p> <p>I am pleased to report to Members of the West Farleigh Parish Council (the “Council”), that I have completed my annual year-end internal audit of the Council’s records for the twelve-month period to 31 March 2026, following my audit visit and subsequent conversations on 7 May 2026.</p> <p>Councillors should be aware that my work cannot be relied upon to identify the occasional omission or insignificant error, nor do I actively seek evidence of breaches of trust or statute, neglect or fraud, which may have taken place. It is the responsibility of the Councillors of the Council to guard against such events, but if during my audit testing such events are discovered I am duty bound to disclose such events to the Council.</p> <p>I would like to take this opportunity to thank the Clerk, Mrs Amanda Broadhurst for her assistance given to me during my audit visit.</p>	
<p style="text-align: center;">Area</p>	<p style="text-align: center;">Item</p>	<p style="text-align: center;">Comments / Findings Year-end Audit 7 May 2026</p>
<p>Previous Audits</p>	<ul style="list-style-type: none"> • Date of last External Audit Certificate or Exemption Certificate for 2024-25 • Comments if any • Publication on website. • Date of last Internal Audit • Comments if any • Review of any items outstanding from previous internal / external audit reports. 	<p>Forvis Mazars LLP signed off the Report & Certificate 2024-25 on 3 Sept 2025. Council received the Report 15 Sept 2025 Min 5.4</p> <p>There were no comments. The AGAR including the External Audit Report and Certificate have been published and remains viewable on the website.</p> <p>Council considered the Internal Audit Report – 21 July 2025 Min 4.5</p>
<p>Minutes</p>	<ul style="list-style-type: none"> • Review of the Council minutes in particular the full Council meetings and the Committees responsible for Governance & Finance matters. • General Power of Competence (GPC) ? • Dispensations in place eg - S.40 LA&A Act 2014 filming/recording 	<p>Council continues to meet at Bramley Barn, West Farleigh. Meetings are bi-monthly and the agendas and minutes are posted to the Council’s website. Generally, a new webpage is opened making it easy for the visitor to read through several sets of minutes and to flip back if necessary. I have read all the published Minutes and have made reference to some of the more important decisions within this report, an exception being those related to planning applications. It is worth re-iterating that individual Councillors have no powers to commit the Council to do anything (the Chair included) without the rare specific delegation by full Council to a named Councillor to pursue a course of action on behalf of the Council. Any action cannot be taken prior the minuted decision of the Council being made available to all Councillors, albeit in draft form prior to confirmation of the accuracy etc of the Minute at the next Council Meeting. The Council is not eligible to apply for GPC.</p>

<p>Code of Conduct/ Acceptance of Office</p>	<ul style="list-style-type: none"> • Date adopted • Any changes in elected/co-opted members since last Audit visit? • DPI's complete • DPI's on website or weblink • New Governance Compliance inc Councillor's Statement of Compliance (Sept 2025) <p>NEXT ELECTION ? Local Govt Restructuring in Kent</p>	<p>Code of Conduct review – Council 18 Nov 2024 Min 5.2</p> <p>Mrs Birchall – co-opted Council 15 Sept 2025 Min 4</p> <p>There were 6 Cllrs in post at 31 March 2026 with 1 vacancy</p> <p>May 2028</p> <p>Local Government Restructure Council 17 Nov 2025 Min 4.2 Unitary options still being considered by the Principal Authorities (eg MBC). However, the MBC is moving forward to form a Maidstone Town Council with 22 Town Councillors, 60,000 electors and population of 90,000. Council 16 March 2026 Min5.1 After receiving further information from the Clerk about the Restructuring of Kent the consensus of the Council was that Option 3A offered the quickest pay-back of the costs of the restructuring. The Clerk is closely monitoring the situation.</p>
<p>Standing Orders (SOs) and Financial Regulations (FRs)</p>	<ul style="list-style-type: none"> • Have they been formally adopted and applied? • Any changes been since they were adopted or the last audit and minuted? • Are Procurement Thresholds in place (local councils must comply with the Procurement Act 2023 especially for goods & services with total value over £207,720 inc VAT from 1 Jan 2026) and consistent between SOs & FRs and changes formally adopted by the Council? • Virtual Meetings / Delegation to Clerk/RFO still in place ? • Updated re New NALC Models SO's 2025, Fin Regs 2025 ? <p>Two signature rule still in place?</p>	<p>Review of Standing Orders & Financial Regulations – Council 21 May 2025 Min 8.5 & 8.6 and reviewed again Council 16 March 2026 Min 4.4 & 4.5</p> <p>Both docs are available on the Councils' website.</p> <p>Two signature arrangement is in place for cheques but payment by cheque is minimal.</p>
<p>Risk Management</p>	<ul style="list-style-type: none"> • Risk Assessments – Are they: • Carried out regularly? • Adequate? 	<p>The Risk Assessment schedule was reviewed by Council on 17 March 2025 (Min 5.7) the document is available on the Councils' website. It covers both the financial and non-financial risks and is based on a template shown as an example of best practice in the Practitioners' Guide on Accountability & Governance. Annual RoSPA play equipt Inspection by Play Inspection Co Ltd (June/July 2025).</p>

	<ul style="list-style-type: none"> • Reported in the minutes? • Inspections of play equipt etc if carried out by staff/Cllrs have they been trained, accredited? • ANNUAL REVIEW ? • Insurance cover – is it: <ul style="list-style-type: none"> • Appropriate/Adequate? • LTA in place? • Reviewed regularly? • Fidelity Guarantee Cover £ (Balances + ½ Precept) • Internal controls – are they: <ul style="list-style-type: none"> • Documented? • Adequate? • Reviewed regularly? • Statement of Internal Control (SIC)? • Systems and Procedures – are they: <ul style="list-style-type: none"> • Documented? • Adequate? • Followed? • Reviewed regularly? 	<p>Monthly Inspections carried out by Safe Play PS Ltd</p> <p>Annual Review of Risk for 2025-26 – Council 16 March 2026 Mins 4.7.</p> <p>My eye was drawn to the detailed minute relating to this item and the query raised by Cllr Birchall about the risk of the absence of the Clerk. The Clerk is the only paid official of the Council and advises the Councillors on all manner of things ranging from meeting protocols, financial matters and legality issues seeking external expert advice as necessary from the likes of myself as your Internal Auditor, NALC/KALC and contractors such as Weller Law and HugoFox. Any prolonged absence of the Clerk (be it illness, compassionate leave or a gap between the out-going Clerk and the new in-coming Clerk (as often is the case of resignation of the existing Clerk and recruitment of a replacement), will need to be temporarily covered by say the employment of a Locum Clerk, or enlisting the support of a neighbouring Clerk as a short interim arrangement with the blessing of the neighbouring parish council. Quite often a neighbouring Clerk will be enlisted to say cover for holiday absence of the Clerk and attend Council Meetings, thereby avoiding the need to cancel a Meeting or enlist the help of one of the Councillors to take the Minutes etc, which should only be done in exceptional circumstances usually at very short notice. I noted that the Chairman of the Council Cllr Moy confirmed his view that the Risk Assessment for this particular risk did not need to be in any more detail, which I fully support. There is a well-trodden process/procedure in place for the recruitment of a Clerk or any other Council Officer for that matter, which often includes advertising the vacancy via the KALC website (5 vacancies listed as of 8 May 2025).</p> <p>This Risk Management section of the Report is a key element of my Audit coverage and aligns with the Internal Control Objective C contained within the Annual Internal Audit Report (page 3 of the AGAR form). Within this section there is mention of the Internal Controls (covered by the Statement of Internal Control for 2025-26, which was the previous item on the Council Agenda and mentioned below) and I also cover the policies and procedure reviews undertaken by the Council during 2025-26.</p> <p>I can assure all Councillors that this Council has very good risk assessment arrangements in place and a very competent and qualified Clerk to manage any risk that may arise.</p> <p>Council 21 May 2025 Min 8.10 agreed to a new 3-year LTA with Zurich Municipal, which will expire 31 May 2028.</p> <p>Fidelity cover = £250,000</p> <p>The Council approved the Internal Control Policy and the Statement of Internal Control for 2025-26 – 16 March 2026 Mins 4.6.</p> <p>The Clerk reviewed the existing policies as at Jan 2025 (16 then), which were considered by Council 22 Jan 2025 Min 5.1.</p> <p>Since then additional policies have been added and others updated, there are now 20+ policies/procedures listed on the Council’s website.</p> <p>Council 21 July 2025 Min 4.4 approved the new IT Policy and Email Policy Council 17 Nov 2025 Min 4.3 noted the updated Civility & Respect Pledge</p>
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	<ul style="list-style-type: none"> IT Policy covering digital and data compliance 2025 NALC template update Nov 2025 designed to meet 1.54 of then Proper Practices (March 2025) and Assertion 10 	<p>Council 22 Jan 2026 Min 5.2 Civility & Respect Councillor’s Statement of Assurance – a Statement of Assurance to be signed by all Cllrs to confirm that they support the Pledge. All Councillors submitted a signed Assurance doc which is retained on file by the Clerk.</p> <p>Council 16 March 2026 Min 5.2 Data Retention Policy approved</p>
<p>Budgetary Controls</p>	<ul style="list-style-type: none"> Is the annual budgeting process reported and approved by the full Council? <ul style="list-style-type: none"> Budget/Precept amounts minuted? Review of All Reserves included as part of the Budget Setting Process? Is the actual performance against the budgets reported to the Council during the year <ul style="list-style-type: none"> Compare with Fin Regs requirements? Are significant variances explained in sufficient detail? 	<p>Budget monitoring done at each Council meeting, For 2025-26 Council 21 July 2025 Min 4.1 (to 30 June 2025) and 15 Sept 2025 Min 5.1 (to 31 Aug 2025), 17 Nov 2025 Min 5.1 (to 31 Oct 2025), 22 Jan 2026 Min 4.1 (to 31 Dec 2025), 16 Mar 2026 Min 4.1 (to 28 Feb 2026)</p> <p>Budget & Precept 2026-27 Council 22 Jan 2026 Min 4.5 - well minuted Budget & Precept 2026-27 discussion. Councillors agreed to increase the Precept to £29,178 resulting in a 0% increase in the Council Tax levy to £114.88 for a Band D property with the small increase in the Tax Base (252.4 to 254.00). The Budget of £31,050 was approved an increase of just £250.</p> <p>The Reserves were reviewed as part of the Budget discussions and consideration given to topping up some of the new ringfenced funds.</p> <p>Reserves Policy approved – Council 21 May 2025 Min 8.7, Schedule of Earmarked Reserves approved Min 8.8</p>
<p>Section 137 expenditure if relevant (GPC adopted?)</p> <p>£11.10 FOR 2025-26 (£10.81 FOR 2024-25)</p>	<ul style="list-style-type: none"> What is the cash limit for the year? Is a separate account/analysis kept? Has the cash limit been exceeded? <p>Have the spending powers been properly used and Minuted?</p>	<p>NB limit for 2026-27 is £11.60</p> <p>Although the Council has a qualified Clerk to be eligible for the General Power of Competence (GPC), unfortunately the Council does not have the required number of “elected councillors”, co-opted Councillors are not part of the criteria for GPC. Therefore Section 137 powers still apply.</p> <p>S137 Grants 2025-26 = £300 to the Farleighs WI, £100 All Saints Church (cemetery mtce), £100 Friends of West Farleigh TOTAL - £500</p>
<p>Book-keeping</p>	<ul style="list-style-type: none"> Cashbook - is it: <ul style="list-style-type: none"> Fit for purpose? Arithmetically correct? Balanced regularly? Reported to Council regularly? Turnover above £200k pa ? Income & Expenditure basis of accounting? 	<p>Excel spreadsheets</p> <p>Yes Yes Yes Yes</p> <p>Not applicable, the Council accounts on a “receipts and payments basis”</p>

	<ul style="list-style-type: none"> Record keeping and the arrangements in place to store previous year's accounts etc. 	
<p>Petty Cash</p>	<ul style="list-style-type: none"> Has the amount of petty cash float been agreed? Are all petty cash entries recorded? Are payments made from petty cash fully supported by receipts / VAT invoices? Are petty cash reimbursements signed for? Date of last petty cash reimbursement/top-up? Is petty cash balance independently checked regularly 	<p>N/A</p>
<p>Payroll</p>	<ul style="list-style-type: none"> Who is on the payroll and are contracts of employment in place? Who is the RFO? Annual Appraisal in place ? Have there been any changes to the establishment and/or changes to individual contracts during the year? Members Allowances in place and paid via payroll system? Have new appointments and changes to contracts been approved and minuted? Do salaries paid agree with those approved by the Council? Have PAYE/NI/Pension requirements been properly applied and accounted for? Payroll outsourced? <p>WORKPLACE PENSION IN PLACE</p>	<p>Mrs Amanda Broadhurst – Clerk/RFO (contracted hours are 15hrs pw)</p> <p>Congratulations to the Clerk for passing the CiLCA examinations completed Nov 2025. Council 22 Jan 2026 Min 9 Council considered the confidential report advising on the Clerks success in obtaining the CiLCA and PIALC qualifications (awarded 2 increments backdated to the date of completion)</p> <p>P60 for 2025-26 inspected</p> <p>The Clerk uses the HMRC on-line tools to calculate the NI and Tax due</p> <p>People's Pension is the workplace pension for the Clerk.</p>

<p>Payments</p>	<ul style="list-style-type: none"> • Are all payments recorded and supported by appropriate documentation? • Are payments minuted? • Review of DD's and SO's ? • STAFF costs definition for inclusion in Box 4 for 2025-26, check parity with 2024-25 ? Currently includes salary, tax, NIC & Pension (employee & ers) + taxable benefits (home working allowance, broadband & phone allowance etc NOT incl.) • Has VAT been identified, recorded and reclaimed? • Have internal control procedures inc. segregation of duties been adhered to? • Contracts: <ul style="list-style-type: none"> ○ What contracts exist? ○ Compliance with SOs & FRs for letting of contracts? ○ Have any new contracts or contract variations and/or extensions been awarded in the year? ○ Have contract payments been made in accordance with the contract document? 	<p>Payments listed in the Minutes. All payments made by internet banking other than the DD's and SO's</p> <p>Standing Orders (Clerks Salary fixed monthly sum) and Direct Debit (mainly to Peoples Pension, HugoFox website service and Waveney IT Support Services)</p> <p>See above</p> <p>Staff costs comply with the definition for Box 4</p> <p>VAT paid in 2024-25 - £543 received 15 April 2025 VAT paid in 2025-26 - £1,001 to reclaim in 2026-27</p> <p>Sample contracts let/discussed during 2025-26 G Underdown – Grounds Maintenance. (one invoice per year in arrears) 3-year agreement for 2023-2026 agreed by Council 16 Jan 2023. Council 17 Nov 2025 Min 4.4 agreed a further 2 years to be reviewed again in Nov 2026 ahead of the final year of the contract. Waveney IT Support Services – email a/cs and IT support Dandelion Time - hall hire Safeplay PS Ltd – monthly playground inspections Hugo Fox – website services Weller Law – legal advice land transfer Tree Ventures Ltd – Tree Survey</p>
<p>Receipts</p>	<ul style="list-style-type: none"> • Are all receipts recorded correctly? • Are all receipts promptly banked? 	<p>Precept for 2025-26 - £29,000 (£27,904 in 2024-25) Parish Services Grant - £841 (£816 in 2024-25)</p> <p>CIL monies £227 (£1,553 in 2024-25)</p>

	<ul style="list-style-type: none"> • Precept, CTSG and Sect 106 & CIL payments • Are income records inc allotments, burials, hirings adequate? • Are invoicing arrangements adequate including VAT where applicable? 	<p>N/A</p>
<p>Bank reconciliation & PWLB Loans</p>	<ul style="list-style-type: none"> • What current/deposit accounts exist? • Investment Strategy recommended where bank balances are in excess of £100k. • FSCS aware/compliant – protection value increased to £120k from Dec 2025, BUT only for Councils with an annual budget below 500,000 Euros equivalent to £430,600 approx. • Are bank reconciliations regularly carried out for each account and signed off by Councillors? • Year-end Level of Balances to Precept ratio • Are the cheque counterfoils, paying-in books and bank statements adequately referenced? • When was the last review of the banking arrangements? • Internet Banking? • Debit/Credit Card? • and if in place Financial Regs up to date ? • Signature review (Two signatures required?) 	<p>Bank balances as at 31 March 2026 Co -operative Bank Community Directplus (1996) - £46,880 LESS unrepresented payment <u>(£1,153)</u> (HMRC payment due for March 2026) <u>Net TOTAL</u> £45,727</p> <p>The Council moved to “internet banking” with the Co-op at the beginning of 2023, which dispensed with the need for telephone banking previously in place.</p> <p>Bank Signatories - Cllrs Moy, Kirk-Brown, Morgan and Underdown.</p>

	<ul style="list-style-type: none"> • Any PWLB loans in place ? 	<p>No loans</p>
<p>Assets changes Asset Register (AR) and Investment Register if applicable.</p> <p>Loans by the Council</p>	<ul style="list-style-type: none"> • Are all the material assets owned by the Council recorded in an AR ? • Is the AR up to date? • Basis of Asset Values and Reviews • Are long-term investments recorded? • Does the AR show the insurance values ? • Digital Photographic evidence? • Is there a separate Inventory List of low value items (e.g. below the insurance excess levels) ? • Loans to local bodies including any indemnities in place. 	<p>As at 31 March 2025 declared value on the AGAR = £53,254</p> <p>NO CHANGE in 2025-26 – AGAR 31 March 2026 = £53,254</p>
<p>Year-end procedures Inc. AGAR</p>	<ul style="list-style-type: none"> • Does the 2025-26 AGAR Statement of Accounts agree with the cashbook? • Is there an audit trail from the financial records to the accounts and have debtors and creditors been properly recorded? • Date of approval of 2024-25 AGAR & Certificate of Exemption criteria met, exemption declared • PROOF of public rights provision during summer 2025 & website– AIAR ICOs • Public Inspection Period Minuted ? 	<p>Accounting records were checked against the figures to be used in the AGAR Statement of Accounts for 2025-26, including the Bank Reconciliation.</p> <p>The AGAR 2024-25 was approved by Council 21 May 2025 Mins 8.1.3 & 8.1.4, the RFO had signed off the Statement of Accounts on 8 May 2025</p> <p>Date of Announcement - 2 June 2025 Public Inspection period – 3 June to 14 Aug 2025 Evidence – Uploaded 2 June 2025</p> <p>Council 21 May 2025 Mins 8.1.5 noted the Public Inspection Period as above</p>

	<ul style="list-style-type: none"> • Governance compliance regime - refer to Practitioners' Guide 2025 	
<p>Additional tests (as necessary)</p>	<ul style="list-style-type: none"> • Computer systems: <ul style="list-style-type: none"> ○ The procedures for the backing up of computerised records ○ Council owned PC/laptop ? ○ Email security ○ Encryption of data? • Trust Funds/Charities – Charity Commission filing? • Annual review of the effectiveness of Internal Audit inc. Appointment of IIA • Website host and Webmaster and any changes? • Website functionality & accessibility NALC L09-18 • TRANSPARENCY CODE compliant especially for Exempt Authorities • Post GDPR (May 2018) <ul style="list-style-type: none"> ○ Privacy Notice ○ Cllr email addresses? ○ Email disclaimer <p>Other matters inc DPO arrangements</p> <p>PRACTITIONERS' GUIDE 2025 From 2025-26 the AGAR Section 1 Annual Governance Statement will include an additional Assertion 10 Digital and Data Compliance.</p>	<p>The Councils' laptop resides at the Clerk home office. The Clerk uses Microsoft Office 365 software, the anti-virus software is McAfee and regularly scans the whole laptop for infections etc. Waveney IT provides IT Support as necessary. The Clerk has in place two back-up arrangements, one is a small memory stick and an external hard drive as well. These are updated every couple of weeks and the back-up of the HMRC payroll is done every month in case that ever crashes.</p> <p>Not applicable</p> <p>Council at its meeting on 21 July 2025 Min 4.6 approved my appointment as the independent Internal auditor for 2025-26.</p> <p>The Council website is hosted by Hugo Fox. The Council opted for the Silver Support Package in 18 Sept 2023 Min 4.4 The Council were advised of the need to change the website domain provider (6 Sept 2024 Min 4.5), Waveney IT commissioned to resolve this issue. Resolved in Jan 2025.</p> <p>The website has an "Accessibility" feature, which allows users to turn on the features or not.</p> <p>The dedicated Councillor email addresses provided by Waveney IT Support Services based in Headcorn</p> <p>The Clerk's email address is clerk@westfarleighparishcouncil.gov.uk</p> <p>Council 22 Jan 2026 Min 4.7 Assertion 10 – GDPR the Clerk advised that the Council's website was fully compliant with the Accessibility Guidelines and the GDPR requirements which were all part of the new Assertion 10 requirement in the Annual Governance Statement in the 2025-26 AGAR. Min 4.8 Updated IT Policy, NALC had issued an updated IT Policy template which expanded on the original version approved earlier in the financial year. The Council is therefore able to answer "YES" to Assertion 10.</p>