

**Bentley Parish Council**  
**Internal Audit Report 1<sup>st</sup> April 2025 to 31<sup>st</sup> March 2026**

**Chair:** Councillor Michael Bamford  
**Parish Clerk & RFO:** Joy Scott

**Website:** bentleypc.onesuffolk.net  
**Email:** clerk@bentleysuffolkparishcouncil.gov.uk

<b>2025/2026 Precept</b>	£15,500.00	
<b>Total Income</b>	£61,317.40	
<b>Total Expenditure</b>	£58,888.73	
<b>Reserves</b>	<b>General:</b> £10,580.33 Plus £4,993.76 for PFS	<b>Earmarked CIL Funds:</b> £7,400.51 <b>Earmarked Funds:</b> £5,500.00

FINANCES		
1.	Records for Income and Expenditure	<p>The Council maintains its accounting records using excel, which underpins the preparation of its financial statements.</p> <p>Accounts are prepared on a receipts and payments basis in accordance with proper practices. Procedures are in place to ensure that all financial transactions are accurately recorded and that records are maintained to a reasonable standard of accuracy.</p> <p>The cashbook forms the core of the Council's day-to-day financial management. The Responsible Financial Officer (RFO) performs regular bank reconciliations, recognising this as a key internal control to verify the completeness and accuracy of the accounting records. The Council applies appropriate practices to ensure that its financial position is fairly presented.</p> <p>A schedule of all payments, including any retrospective approvals, is presented to each Council meeting.</p> <p>To support transparency and auditability, all transactions are clearly referenced by the RFO and allocated to defined budget headings in line with recognised best practice.</p> <p><b>RECOMMENDATION:</b> Whilst the councillors note the income received in the quarterly reports, the Council does not record income received within its meeting minutes. To strengthen transparency and maintain a clear audit trail, the Council should ensure that both payments and receipts are appropriately recorded.</p>
2.	Financial Control	<p>The clerk confirmed bank reconciliations are reported at each relevant council meeting within the quarterly financial report which includes bank balances alongside copies of the bank statements which are then confirmed as correct in accordance with councils Internal Controls.</p> <p>Expenditure Sheets are issued to councillors at each meeting detailing the payments to be approved.</p>

		During the period under review, council has undergone a change in banks and now works mainly through online banking. Council has ensured its Risk Management Policy notes these changes and council works to their adopted Financial Regulations (7).
3.	Accounting Records	<p>A sample of accounting records was subject to spot checks. These were found to be well maintained, clearly organised, and appropriately referenced. Supporting documentation, including invoices, was reviewed to confirm evidence of Council approval, correct entry in the cashbook, and agreement with bank statement transactions.</p> <p>Paid invoices are authorised by two approved signatories.</p> <p>Income transactions were also tested and confirmed as accurately recorded in both the cashbook and corresponding bank statements.</p>
4.	Petty Cash	The council does not operate a petty cash system.
5.	Online Banking	<p>The Council has recently transitioned its banking arrangements from Barclays to Lloyds Bank and now utilises online banking as its primary method of operation.</p> <p>All payments require authorisation by two approved signatories, in accordance with the Council's Financial Regulations.</p> <p>Payments are approved by Full Council, formally recorded within the meeting minutes, and published online to support transparency and accountability.</p>
6.	Budgeting	<p>At the meeting held on 02<sup>nd</sup> January 2025, Bentley Parish Council formally approved its budget for the 2025/2026 financial year. This decision was made in accordance with the Council's statutory responsibilities for sound financial management and transparency in local governance.</p> <p>Under the provisions of the Local Government Act 1972, Parish Councils are required to ensure that their financial affairs are properly administered and that appropriate budgets are set to support the delivery of local services and community priorities.</p>

		<p><b>RECOMMENDATION:</b> The Council should ensure that meeting minutes clearly document the budget approved, including the rationale and considerations supporting the amount set, to provide an appropriate audit trail and evidence of the decision-making process.</p>
7.	Precept	<p>At a meeting of council held on 02<sup>nd</sup> January 2025, Bentley Parish Council formally resolved to set its precept for the 2025/2026 financial year at £15,500. This represents an increase of £500 compared to that of the previous financial year.</p> <p><b>RECOMMENDATION:</b> The Council should ensure that meeting minutes record both the percentage increase and the corresponding Band D property charge, to demonstrate that the financial implications for residents were clearly considered and transparently reported.</p> <p>Following approval, the precept demand was formally submitted to the charging authority, Babergh District Council, within the required timeframe. The approved funds were subsequently paid to the Parish Council in line with standard local government funding arrangements.</p>
8.	Reserves	<p>The Council's year-end accounts report General Reserves of £10,580.33 plus £4,993.76 held by the Parish Council for the Playing field Society for Funday and Fireworks and Earmarked Reserves totalling £7,400.51 of Community Infrastructure Levy (CIL) funds and £5,500.00 Earmarked for the Conservation Notice Board.</p> <p>The Council has had regard to proper practices, which recommend that general (non-earmarked) reserves should typically fall within a range equivalent to three to twelve months of net revenue expenditure.</p>
9.	Community Infrastructure Levy (CIL)	<p>£19,919.16 Starting Balance  £0.00 Income  £12,518.65 Expenditure  £7,400.51 End Balance</p>

		<p>Councils CIL report was approved at a meeting of council held 02<sup>nd</sup> April 2026 and is published on the Parish Council website.</p> <p>Council has allocated these funds as earmarked reserves.</p> <p><i>(Community Infrastructure Levy Regulations 2010)</i></p>
10.	General Power of Competency	The council had not adopted the General Power of Competency. <i>(Localism Act)</i>
11.	S137	<p>Section 137 expenditure for the 2025–2026 financial year totalled £900, spread across six separate payments.</p> <p>Section 137 payments are clearly recorded and appropriately referenced within the cashbook. Testing confirmed that these expenditures fall within the prescribed statutory limits and are supported by adequate evidence demonstrating benefit to the local community.</p> <p><i>(Section 137 of the Local Government Act 1972 enables local councils to spend a limited amount of money for purposes for which they have no other specific statutory expenditure. The basic power is for a local council to spend money (subject to the statutory limit) on purposes for the direct benefit of its area, or part of its area, or all or some of its inhabitants))</i></p>
12.	VAT	<p>VAT is correctly identified, recorded, and reclaimed within the required statutory time limits.</p> <p>For the period under review, VAT totalling £7,015.29 was recorded within the Council's cashbook and reclaimed through three separate submissions, as detailed in the evidence appended to this report.</p>

		<p>The transactions were fully supported by the Council's accounting records, including the cashbook and corresponding bank statements. Receipt of the payments were confirmed into the Council's Lloyds Business Account.</p> <p>The maintenance of accurate financial records and timely reconciliations demonstrates compliance with proper accounting practices and audit requirements.</p>
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<b>PAYROLL</b>		
<b>13.</b>	Contracts of Employment	The Clerk to the Council is employed under the National Association of Local Councils (NALC) pay scale. The Clerk also acts as Responsible Financial Officer (RFO), as set out in Regulation 1.5 of the Council's Financial Regulations adopted on 05 <sup>th</sup> March 2026, and confirmed at the meeting held 05 <sup>th</sup> February 2026, in line with the requirements of the Local Government Act 1972.
<b>14.</b>	Payroll	<p>Salary payments are accurately recorded in the Council's cashbook and fully reconcile with corresponding entries in the bank statements, providing a clear and verifiable audit trail. All wages are reviewed and formally approved by Council at its monthly meetings as part of the schedule of payments.</p> <p>Payments to HM Revenue and Customs are calculated and made in accordance with statutory regulations and are submitted within the required timeframes to ensure compliance.</p> <p>Any additional expenses incurred by the Clerk in the course of their duties are appropriately documented and approved by Council.</p>
<b>15.</b>	Pension	<p>The Council is aware of its workplace pension responsibilities, with its re-declaration of compliance completed with The Pensions Regulator on 16<sup>th</sup> January 2025.</p> <p>The Council recognises that re-declaration must be completed every three years, or sooner in the event of changes to staffing arrangements, in accordance with the ongoing duties set out by The Pensions Regulator.</p>

POLICIES		
16.	Standing Orders	<p>The Council adopted the National Association of Local Councils (NALC) Model Standing Orders 2025 following review and formal approval by Council on 05<sup>th</sup> June 2025 and 05<sup>th</sup> March 2026. These Standing Orders provide the procedural framework for the Council's decision-making processes and governance arrangements.</p> <p>The adopted Standing Orders are published on the Council's website, ensuring transparency and public accessibility in line with good governance practice and accountability requirements.</p>
17.	Financial Regulations	<p>The Council has adopted the National Association of Local Councils (NALC) Model Financial Regulations, which were reviewed and formally approved by Council at meetings held 03<sup>rd</sup> April 2025 and 05<sup>th</sup> March 2026.</p> <p>The Regulations have been tailored to reflect the Council's specific operational requirements, ensuring they remain proportionate while maintaining compliance with recognised standards of financial governance and accountability for local authorities.</p> <p><b>Comment:</b> <i>Those published on the website are dated 04<sup>th</sup> July 2019 and say were adopted on 12<sup>th</sup> July 2018 and require updating to the most recent adopted document.</i></p>
18.	Policies & Procedures	<p>Council has adopted and publishes on its website the following documents:</p> <ul style="list-style-type: none"> <li>Guidance for recording meetings</li> <li>Social Media Policy</li> <li>General Privacy Policy</li> <li>Data Protection Policy</li> <li>Document Retention and Disposal Policy</li> <li>GDPR Statement of Compliance</li> <li>Consent to Hold Contact Information</li> <li>Code of Conduct 2025</li> <li>Internal Control Statement</li> </ul>

ASSETS		
19.	Asset Register	<p>The Asset Register – Fixed Assets List as at 31st March 2026 records a total asset value of £72,401, reflecting an increase compared to the previous financial year. This indicates that additions and/or revaluations have been appropriately accounted for during the year.</p> <p>The Council formally documented a review of the Asset Register at the meeting held on 02<sup>nd</sup> October 2025, ensuring that asset records remain accurate, complete, and up to date.</p> <p><b>Comment:</b> Council might look to record in more detail in the minutes that the review of the assets had been undertaken and the change in any details.</p>
20.	Lease / Land / Licenses /	Council does not have any leases or licenses for assets or land not owned by them.

RISK CONTROL		
21.	Risk Assessment	<p>The Council's Risk Assessment was reviewed and formally adopted by Council at a meeting held on 2<sup>nd</sup> October 2025. The document is subject to annual review.</p> <p>The Risk Assessment considers a range of general and operational risks that could affect the ability of a smaller relevant body to function effectively, including financial, administrative, and governance-related risks. This supports the Council's duty to maintain appropriate arrangements for the management of risk and internal control.</p>
22.	Insurance Policy	<p>At the meeting held on 4<sup>th</sup> September 2025, the Council reviewed and approved its insurance arrangements. The Council holds a policy with Ansvar Insurance.</p> <p>The policy provides cover for Public and Products Liability up to £10 million, Employers' Liability up to £10 million, and Fidelity Guarantee cover of £25,000 with All Risks cover in place for unspecified items.</p> <p><b>RECOMMENDATION:</b> That council increases its fidelity cover to be at least that of the year end balance plus half of the precepted amount.</p>
23.	Internal Control	<p>In accordance with the Accounts and Audit Regulations 2015, the Council reviewed its Internal Control Statement as documented in the minutes of the meeting held on 02<sup>nd</sup> April 2026 having been deferred from the March meeting confirming that appropriate governance and control measures are in place for the management of the Council's financial affairs and ensuring continued compliance with statutory requirements.</p> <p><b>Comment:</b> Council should ensure its Internal Control document is up to date with amendments required to the information stated on the versions of Standing Orders and Financial Regulations adopted (as viewed on the website).</p>

ASSERTION 10		
24.	ICO Registration	<p>The Council is registered with the Information Commissioner's Office (ICO), demonstrating compliance with data protection legislation and requirements relating to the handling of personal data.</p> <p><b>Reference:</b> Z6850701                      <b>Expires:</b> 21<sup>st</sup> August 2026</p>
25.	I.T Policy	<p><b>RECOMMENDATION:</b> That council adopt an IT Policy setting out the expected standards for the secure and appropriate use of information technology across Council operations. The policy should cover areas such as data security, acceptable use, password management, and safe handling of electronic communications and records. The adoption of this policy would support compliance with good governance and information management standards, including the requirements of Assertion 10 of the Annual Governance and Accountability Return (AGAR). It also complements the Council's obligations as a registered data controller with the Information Commissioner's Office, helping to ensure that appropriate controls are in place for the protection and secure management of council data.</p>
26.	Publication Scheme	<p><b>RECOMMENDATION:</b> A review of the Council's governance arrangements identified that a formal Publication Scheme has not yet been adopted. This is a requirement under the Freedom of Information Act 2000 and forms part of Assertion 10 within the AGAR, relating to compliance with transparency obligations. It is recommended that the Council formally adopts an appropriate Publication Scheme, reviews the information currently made available to the public, and records the adoption within the Council minutes.</p>
27.	Website Accessibility	<p><b>RECOMMENDATION:</b> The Council should implement an annual review process for its website accessibility statement and update its digital accessibility arrangements to align with WCAG 2.2 standards. The Council is currently aligned to WCAG 2.1 AA, with the last formal review undertaken on 6 August 2020.</p> <p>Updating the accessibility statement annually and progressing compliance with WCAG 2.2 would help ensure that the Council continues to meet current accessibility expectations and provides digital services that are perceivable, operable,</p>

		understandable, and robust for all users, including people with disabilities and situational impairments. (Website Accessibility Regulations 2018)
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TRANSPARENCY CODE		
<b>28.</b>	Publication of Transparency Code documentation	<p>Whilst the Local Government Transparency Code 2015 formally applies to local authorities, including parish councils, with annual income or expenditure exceeding £200,000, smaller authorities with annual turnover or expenditure between £25,000 and £200,000 are encouraged to follow the Code as a matter of best practice.</p> <p>The Practitioners' Guide (paragraph 5.127) states that, in principle, information held and managed by local authorities should be made publicly available unless there are valid reasons or specific sensitivities preventing disclosure.</p>

YEAR END		
29.	Internal Report	<p>The Internal Audit Report for 2024/2025 was discussed and accepted by Council at the meeting held on 5<sup>th</sup> June 2025. The findings and recommendations contained within the report were reviewed, and appropriate actions were agreed and implemented where necessary.</p> <p>This process ensures that the Council continues to maintain effective internal control arrangements and respond appropriately to audit findings, supporting good governance and compliance with the requirements of the Annual Governance and Accountability Return (AGAR).</p>
30.	External Report	<p>The External Auditor's report for 2024/2025, as published on the Council's website and reported to council at its meeting held 02<sup>nd</sup> October 2025, confirmed that no matters were raised for attention.</p>
31.	Year End Reporting	<p>Year End accounts were provided to the internal auditor in a clear and detailed manner, reporting all closing receipt and payment transactions which are in accordance with the Bank Reconciliation and Bank Statements.</p> <p>The council has complied with the requirements of the Accounts and Audit Regulations 2015 for smaller authorities with an income and expenditure exceeding £25,000 but not exceeding £6.5 million for the year ending 31<sup>st</sup> March 2025 and published the following on the public website:</p> <ul style="list-style-type: none"> <li>• Annual Internal Audit</li> <li>• Section 1 - Annual Governance Statement</li> <li>• Section 2 - Accounting Statements</li> <li>• Section 3 - The External Auditor Report and Certificate</li> <li>• Notice of the period for the exercise of public rights and other information required by Regulation 15(2) Accounts and Audit Regulations 2015.</li> </ul>

<b>32.</b>	Notice of Public Rights	<p>For year end 2024/2025, council correctly published the Notice of Public Rights and Publication as evidenced on the council website.</p> <p>The notice correctly shows the date of announcement set at 06<sup>th</sup> June 2025, with the inspection dates of Monday 9<sup>th</sup> June to Friday 18<sup>th</sup> July 2025.</p>
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OTHER		
33.	Code of Conduct	<p>Council adopted the Code of Conduct produced by the Local Government Association (LGA) at the meeting held 05<sup>th</sup> May 2022.</p> <p>The Code of Conduct sets out the standards of behaviour expected of councillors and supports ethical governance, transparency, and accountability in line with the Council's statutory responsibilities and good practice in local government.</p> <p><b>Comment:</b> <i>The Parish Council should formally adopt its Code of Conduct at least once each council term, typically after ordinary elections every four years, and whenever the code is updated or legislative/guidance changes occur.</i></p>
34.	Annual Meeting	<p>The Annual Meeting of the Council was held on 09<sup>th</sup> May 2025. The first item of business was the election of the Chairman, undertaken in accordance with Section 15(1) and Schedule 12, Paragraph 7 of the Local Government Act 1972 and in line with the Council's Standing Orders.</p> <p>The meeting was conducted in accordance with the statutory requirements governing the proceedings of parish councils, ensuring the proper and lawful appointment of the Chairman.</p>
35.	Members Interests	<p>Evidence was seen on Council website of the Register of Interests for current Parish Councillors with a direct link to the Babergh District Council website.</p>
36.	Email Accounts	<p>The Clerk to the Council uses an official .org.uk email address linked directly to the Parish Council, ensuring that all correspondence is managed through a dedicated council-controlled account rather than a personal email address.</p> <p>In accordance with guidance within the Practitioners' Guide to Governance and Accountability for Smaller Authorities, it is recommended that smaller authorities utilise secure, dedicated email systems (such as council-owned or .gov.uk domains where available). This supports good governance by ensuring continuity of communication, reducing the risk of correspondence being lost or delayed, and maintaining proper</p>

		records management.
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## DETAILS OF FINANCIAL EVIDENCE TAKEN

### Payments

Detail	Amount	Minutes	Bank Statement
Dedham Vale Tree Surgery	£2,400.00	03/04/2025	14/04/2025
ClIr B Feltwell – Signs	£234.00	03/07/2025	05/08/2025
ElanCity – Solar Panel	£521.08	02/10/2025	03/10/2025
Green Man Gardening	£180.00	06/11/2025	23/10/2025
Healeys Printers	£526.00	08/01/2026	09/01/2026
SALC – Training	£39.60	05/02/2026	16/02/2026
Alison Farmer Associates	£20,937.00	05/03/2026	16/02/2026

### Receipts

Detail	Amount	Minutes	Bank Statement
Brantham Athletic	£80.00		26/06/2025
Donation	£600.00		08/09/2025
Inquiry	£356.86		02/03/2026

### Staff – pay slips

Detail	Amount	Minutes	Bank Statement
Staff Wages – June 2025	£643.98	03/07/2025	08/07/2025
Staff Wages – September 2025	£874.94	02/10/2025	03/10/2025
Staff Wages – December 2025	£721.80	08/01/2026	09/01/2026

**VAT Reclaims Checked**

<b>Claim Period</b>	<b>Amount</b>	<b>Date Received</b>
April 2025 to January 2026	£2,600.89	28/01/2026
February 2026	£3,620.11	06/03/2026
March 2026	£794.29	Not confirmed

**Year End Balances 31/03/2026**

<b>Account</b>	<b>Amount</b>
Account 1	£13,276.30
Account 2	£10,104.50
Account 3	£4,993.80
Account 4	£100.00
<b>Total</b>	<b>£28,474.60</b>

**Signed:** *Mrs J Lawes*

**Dated:** 20<sup>th</sup> May 2026