

Items Raised by the 2024/2025 Audit

1. The recommended guidelines for the Officials & Trustees Indemnity insurance is the year end balances + 50% of the precept. With its current balances, the Council should review this figure and consider increasing the amount as the Council may be underinsured
2. The general reserves are very low but if the £82543.00 marked as general reserves in the earmarked reserves is added, this brings the Council within the recommended guidelines. This item should be removed from the earmarked reserves and be shown in the general reserves
3. The External Auditor's Report for 2023-2024 was not reported to the Council. This must be reported to the Council and minuted and include a minuted action plan if there are any recommendations
4. The bank balances are noted at each meeting but there is no financial report which has a comparison of spending to budget. This needs to be addressed by the Council
5. The contracts of employment need to be investigated
6. It is understood that a councillor is running the Hallmaster package and sending out invoices on behalf of the Council. This is an administrative task and should be completed by the office and not by an elected member
7. The Council does not have a Biodiversity Policy. This became a legal requirement on 1st January 2024 and the Council should consider adopting one
8. It was noted in the minutes that the Council wanted to add the wording "Please inform the Parish Council if you are intending to record the meeting". Attendees at parish council meetings do not have to inform anyone that they are recording the meeting and should not be asked to do so
9. There is no evidence in the minutes that the Asset Register was reviewed. The Register must be reviewed by the Council every year

The Internal Audit Report was considered by the Council but no plan was minuted to deal with the issues raised.

Therefore, it is not possible to tell what actions were agreed by the Council

Items Raised by the 2025/2026 Audit

1. It was noted during the Audit that some councillors are undertaking some administrative and financial roles. This should not be happening as it blurs the lines of the roles and responsibilities of the elected members and the officers. The RFO role is a statutory role (S151 Local Government Act 1972) and the RFO is responsible for the proper administration of the Council's financial affairs. Part of the job description is to decide on the accounting methods to be used that are relevant to the Council. Also, elected members should not have access to the accounting software
2. The Council should make certain that its website is WCAG 2.2 AA compliant and undertake regular checks on this. The relevant policies on FOIA and Data Protection need to be reviewed annually and carrying out a Data Audit is recommended
3. It is recommended that the Council should have Comparison to Budget reports on a monthly basis
4. The online banking arrangements currently only require one authorisation by an employee. Financial Regulations state that authorisation should be by at least one councillor (in addition to the employee setting up the payments) and Best Practice is that authorisation should be by two councillors
5. The Council must show the list of approved payments in the minutes. This can be done either by putting them into the body of the minutes or having an appendix to the minutes
6. The Council's Reserves (both general and earmarked) need to be reviewed. This should be done annually and agreed by the Council
7. The Council should consider adopting an Internal Financial Control document
8. The Internal Auditor's Report was reported to the Council at item 25/058 on 7th July 2025 but no plan was minuted to deal with the matters raised
9. The Asset Register was apparently reviewed on 2nd March 2026 but there is no specific mention in the minutes that the Council agreed it

GENERAL			
Electorate	2920 Seats – 11		
General Power of Competence	Does the Council have the General Power of Competence? And when was it adopted?	No	The Council operates under the LGA s137
LCAS	Has the Council attained any of the LCAS levels?	No	
Civility & Respect	Is the Council a Civility and Respect Pledge Council?	Yes	The Council signed the pledge on 2 nd February 2023
ICO Registration	Data Protection Registration Number – Z7272468	Yes	Registered on 24 th January 2003. Expires on 23 rd January 2027
VAT Registration	Is the Council registered for VAT?	Yes	VAT Registration Number 37048731
Transparency Code	Is the Council a smaller authority?	No	
Committees	Does the Council have committees and if so, are there terms of reference?	Yes	
Sole Trustee	Is the Council a sole trustee of any charity?	No	The Council is the Custodian Trustee of the Newport Village Hall

Accounting Basis	Income and Expenditure		
Bank Accounts	NatWest – Current Account - 51580268		£200.00
	NatWest – Business Reserve Account – 51587998		£33936.55
	Saffron Walden Building Society		£120022.85
	Redwood Bank		£117587.70
	The Cambridge Building Society – CB01490288		£120039.02

Petty Cash Income	Not Applicable		The Council has a debit card for purchases Precept - £168000.00 This agrees to the figure published by the MHCLG Other Income - £24889.58 This includes interest, MUGA charges, pavilion charges, EV Charging points charges, allotment rents, fete income and other income
Reserves	Are the general reserves reasonable for the activities of the Council? Are earmarked reserves identified?	Yes Yes	The General Reserves at £122491.10 in total are within the PKF Littlejohn recommended levels of 3-12 months of expenditure £268687.93 - S106 Monies including the sports committee fund, legal expenses, the Pavilion Project (There are 8 headings in total). The earmarked reserve of £82543.00 marked as a general reserve needs to be removed from earmarked reserves in its current format and become part of the general reserve or identified as earmarked for specific issues/projects

Internal Control	Testing		Comments
Proper bookkeeping	• Is the cashbook maintained and up to date? • Is the cashbook arithmetic correct? • Is the cashbook regularly balanced?	Yes Yes Yes	The Council uses Scribe to manage the accounts and the cashbook is kept up to date The bank balances are noted at each meeting

Governance and Policies			
Standing Orders and Financial Regulations	Has the Council formally adopted standing orders and financial regulations?	Yes	The Standing Orders were reviewed and adopted at item 26/226 on 2 nd March 2026 The Financial Regulations were reviewed and adopted at the same item on the same date
Biodiversity Policy	Has the Council adopted a Biodiversity Policy?	Yes	1 st September 2025
IT Policy	Has the Council adopted an IT Policy?	Yes	2 nd March 2026
Other Policies	Has the Council formally adopted other policies?	Yes	A list of policies is available on the website
Website and IT	Is the Council's website council owned, accessible and is the Clerk's e.mail address generic?	Yes	The Council must satisfy itself that the website is WCAG 2.2 AA compliant and undertake regular checks to confirm ongoing compliance
FOIA and Data Protection	Is the Council compliant with FOIA and Data Protection legislation?	Yes	The relevant policies need to be reviewed annually and a Data Audit is recommended

Payments Controls	Have items or services above the de minimus amount been competitively purchased?	N/A	
	Are payments in the cashbook supported by invoices, authorised and minuted?	Yes	Two sample expenditures from April 2025 and October 2025 were checked and found to be correct against the minutes and the bank statements
	Has VAT on payments been identified, recorded and reclaimed?	Yes	Claims are made quarterly by MTD and the refunds are received
	Is s137 expenditure separately recorded and within statutory limits?	Yes	
	Tenders exceeding the £30,000 threshold have been advertised on the Contract Finder/Find A Contract website	N/A	

Risk management arrangements	Does a review of the minutes identify any unusual financial activity?	No	The minutes of the Council meetings for the year 2025/2026 were read and no unusual financial activity was noted.
	Do the minutes record the council carrying out an annual risk assessment?	Yes	A financial/reputational risk assessment was carried out during the year and minuted at item 26/226 on 2 nd March 2026
	Is insurance cover appropriate and adequate?	Yes	The Council is insured with Hiscox Insurance Company through Gallagher Insurance Brokers Policy Number – 8308571. The Policy has been seen. The latter is part of a three-year long-term agreement expiring in November 2026 Employers Liability and Public Liability are both £10 million Fidelity Cover = recommended guidelines of year end balances + 50% of the precept
	Are internal financial controls documented and regularly reviewed?	Yes	The Council should consider an Internal Financial Control document
	Has the council adopted a Code of Conduct?	Yes	The Council adopted the LGA/Uttlesford Council Code of Conduct on 9 th January 2023
	Has the Council adopted a Data Protection Policy, a Privacy Notice and Publication Scheme?	Yes	
	Was the Annual Parish Council Meeting held within the prescribed timeframe?	Yes	The Parish Council must meet annually. In an election year, this must be on the day when the councillors take office or within 14 days, or on any day in May in any other year. The meeting was held on 13 th May 2025 and the first item 25/001 was the election of the Chairman
	Was the Annual Parish Meeting held within the prescribed timeframe?	Yes	A Parish Meeting must be held annually between 1 st March and 1 st June (both inclusive). The Annual Assembly took place on 27 th May 2025

Budgetary Controls	Has the council prepared an annual budget in support of its precept?	Yes	A budget was agreed at item 24/151 on 2 nd December 2024. The Precept was agreed on the same date at the same item
	Is actual expenditure against the budget regularly reported to the council?	Yes	The receipts and payments are presented to the Council and minuted monthly. A comparison of expenditure to budget is produced quarterly
	Are there any significant unexplained variances from budget?	No	Any variances in budget are explained in the Annual Accounts

Income Controls	Is income properly recorded and promptly banked?	Yes	The income is recorded on the Scribe. Most income received is by BACS or bank transfer but the small number of payments that aren't, are promptly banked
	Does the precept recorded agree to the Council Tax authority's notification?	Yes	The recorded Precept agrees to the Council Tax Authority's notification
	Are security controls over cash and near-cash adequate and effective?	Yes	
	Does the Council Review its fees on a regular basis?	Yes	Allotment fees and MUGA fees

Petty cash procedures	The Council does not operate a petty cash system	N/A	The Council has a debit card
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Payroll Controls	Has a Responsible Financial Officer been appointed with specific duties?	Yes	The current Clerk's Contract of Employment is dated 11 th September 2006. The Council employs a separate RFO who started on 16 th October 2017
	Do all employees have contracts of employment with clear terms and conditions?	Yes	The Clerk is not the only employee. There is an RFO, an Assistant Clerk and two village caretakers. A Home Office allowance is not paid

	Do salaries paid agree with those approved by the Council? Are other payments to employees reasonable and approved by the Council? Has PAYE/NIC been properly operated by the Council as an employer including the issue of P60s? Does the Council pay the Parish Basic Allowance? Employer's Reference – 083/NZ28740	Yes Yes Yes No	to the RFO. Mileage is paid to all employees when necessary The contracts of employment were considered during the year The Council pays the NJC Pay Scales and a pension The Council uses Sage to calculate the payroll and information is submitted by RTI and regular payments are made to HMRC The Sage payroll issues payslips and P60s
Asset Controls	Does the council maintain a register of all material assets owned or in its care? Are the assets and Investments registers up to date?	Yes Yes	The Asset Register was reviewed 2nd March 2026 but there is no specific mention in the minutes that the Council agreed it The values used should not be those of the insurance. It should be noted that there should be no variation in Box 9 of the AGAR, unless assets have been bought or disposed of

Bank Reconciliation	Is there a bank reconciliation for each account? Is a bank reconciliation carried out regularly and in a timely fashion? Are there any unexplained balancing entries in any reconciliation?	Yes Yes No	
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Year-end procedures	Are year-end accounts prepared on the correct accounting basis (Receipts and Payments or Income and Expenditure)?	Yes	Accounts are prepared on an Income and Expenditure basis, although the Council has not yet reached the limit of £200000.00
	Do the accounts agree with the cashbook?	Yes	
	Is there an audit trail from underlying financial records to the accounts?	Yes	Two sample expenditures from April 2025 and October 2025 were checked and found to be correct
	Where appropriate, have debtors and creditors been properly recorded?	Yes	
	Were the Annual Accounts, the Annual Governance Statement and Annual Accounts and Accounting Statement signed by the Council?	No	The AGAR for the Year End 31 st March 2026 was partially completed but not signed, as it had not been presented to the Council
	Is there a Certificate of Exemption?	N/A	
	Has the Council published five years of the Annual Return (AGAR) on its website under The Accounts & Audit Regulations 2015?	Yes	The dates were 3 rd June 2025 to 14 th July 2025
	Has the Council published the Notice of the period for the exercise of public rights under The Accounts & Audit Regulations 2015 on its website?	Yes	
Auditor's Reports	Was the Internal Auditor's Report reported to the Council?	Yes	The Internal Auditor's Report was reported to the Council at item 25/058 on 7 th July 2025 but no plan was minuted to deal with the matters raised
	Was the External Auditor's Report reported to the Council?	Yes	The External Auditor's Report was reported to the Council at item 25/117.6 on 6 th October 2025

Loans	Were any loans made to volunteer bodies during the year?	No	
	Are there any PWLB Loans outstanding?	No	

Co-option	The co-option of members should appear on an agenda as a separate item for the Council to action	Yes	The Council has co-options as agenda items and they are minuted as such
Grants	Does the Council make any grants to the church?	Yes	The grants are currently made under S137