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Internal Audit Report for Pleshey Parish Council

I am pleased to report that I have completed my Internal Audit for the Parish Council for the period 1st April 2025 to 31st March 2026. The Audit was carried out on 15th April 2026.

Members should be aware that my work cannot be relied upon to identify the occasional omission or insignificant error, nor to disclose breaches of trust or statute, neglect or fraud which may have taken place and which are the responsibility of the Members of the Council to guard against.

The Council did not comply with Assertion 10 but that was the only matter of major concern. I found the record keeping to be of a very good standard.

I would like to record my appreciation to the Clerk of the Council, Will Adshead-Grant for his assistance during the Internal Audit.

Ann C Wood

Ann C. Wood LL.B.Hons, DMS, Cert.HE., PIALC
2nd May 2026

Items Raised by the 2024/2025 Audit

1. The Precept figure does not agree to the figure published by MHCLG, which is £13247.00. The Parish Council may wish to take this matter up with Chelmsford City Council
2. An Internal Financial Control document should be investigated
3. The Council is required to publish the Notice of the period for the exercise of public rights on its website, under The Accounts & Audit Regulations 2015. This is not available on the website
4. It is a legal requirement for the Council to adopt a Biodiversity Policy/Statement. This should be considered as soon as possible in the 2025-2026 year
5. The Council has not yet adopted the amended LGA/Chelmsford City Council Code of Conduct and currently is using the 2012 code. The Council should consider the adoption of the new Code of Conduct
6. The Council has not adopted a Data Protection Policy, a Privacy Notice or a Publication Scheme. The latter of these is a legal requirement and this must be addressed

The report was considered on 10th September 2025 at item 2025/1364 and a plan is minuted

Items Raised by the 2025/2026 Audit

1. The Council must ensure that its website is council owned, which at the time of the audit was not the case. The website must be accessible and comply with WCAG 2.2 AA and all the documents posted must be accessible. The Council must also have a generic e.mail address for the Clerk

GENERAL			
Electorate	Approx. 300		
General Power of Competence	Does the Council have the General Power of Competence? And when was it adopted?	Yes	The Council does not operate under the LGA s137 as it has adopted the General Power of Competence
LCAS	Has the Council attained any of the LCAS levels?	No	
Civility & Respect	Is the Council a Civility and Respect Pledge Council?	No	
ICO Registration	Data Protection Registration Number – ZB340162	Yes	Registered on 13 th July 2024. Expires on 12 th July 2026
VAT Registration	Is the Council registered for VAT?	No	
Transparency Code	Is the Council a smaller authority?	Yes	
Committees	Does the Council have committees and if so, are there terms of reference?	No	
Sole Trustee	Is the Council a sole trustee of any charity?	No	

Accounting Basis	Receipts and Payments		
Bank Accounts	Barclays Bank – Current Account 60717908		This account has been closed
	Barclays Bank – Deposit Account 10924539		This account has been closed
	Unity Trust Bank 20513111 (Current)		£66.61
	Unity Trust Bank 20513124 (Saving)		£16628.13
Petty Cash	Not Applicable		Expenses are reimbursed to the Clerk during the

Income			<p style="text-align: right;">year</p> <p style="text-align: right;">Precept - £13250.00</p> <p>This agrees to the figure published by MHCLG</p> <p style="text-align: right;">Other Income - £2315.19</p> <p>This includes interest, Allotments, VAT recovery and ECC Grass Cutting Grant</p>
Reserves	Are the general reserves reasonable for the activities of the Council?	Yes	The General Reserves at £7224.00 are within the PKF Littlejohn recommended levels of 3-12 months of expenditure. The Council does have a Reserves Policy
	Are earmarked reserves identified?	Yes	£9471.00 for playground refurbishment

Internal Control	Testing		Comments
Proper bookkeeping	• Is the cashbook maintained and up to date?	Yes	The Council uses an Excel spreadsheet to manage the accounts and the cashbook is kept up to date
	• Is the cashbook arithmetic correct?	Yes	
	• Is the cashbook regularly balanced?	Yes	

Governance and Policies			
Standing Orders and Financial Regulations	Has the Council formally adopted standing orders and financial regulations?	Yes	<p>The Standing Orders were reviewed and adopted at item 2025/1308 on 14th May 2025</p> <p>The Financial Regulations were reviewed and adopted item 2025-1309 on the same date</p>

Biodiversity Policy	Has the Council adopted a Biodiversity Policy?	Yes	Adopted on 10 th September 2025 at item 2025/1366
IT policies	Has the Council adopted an IT Policy?	Yes	Adopted on 10 th September 2025 at item 2025/1373
Publication Scheme	Does the Council have a Publication Scheme?	Yes	A Publication Scheme has been adopted but is not yet on the website
Other Policies	Has the Council formally adopted other policies?	Yes	A list of polices is available on the website
Website and IT	Is the Council's website council owned, accessible and is the e.mail address generic	No	The Council must ensure that the website is council owned and that accessibility complies with WCAG 2.2 AA and that all the documents posted are accessible. The Council must also have a generic e.mail address for the Clerk
FOIA and Data Protection	Is the Council compliant with FOIA and Data Protection legislation?	Yes	

Payment Controls	Have items or services above the de minimus amount been competitively purchased?	N/A	Two sample expenditures from June 2025 were found to be correct against the minutes and bank statements and November 2025 which did not appear on the bank statement A claim was made on 17 th June 2025 and the refund received
	Are payments in the cashbook supported by invoices, authorised and minuted?	Yes	
	Has VAT on payments been identified, recorded and reclaimed?	Yes	
	Is s137 expenditure separately recorded and within statutory limits?	N/A	
	Tenders exceeding the £30,000 threshold have been advertised on the Contract Finders website	N/A	

Risk management	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
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<p>arrangements</p>	<p>Do the minutes record the council carrying out an annual risk assessment?</p> <p>Is insurance cover appropriate and adequate?</p> <p>Are internal financial controls documented and regularly reviewed?</p> <p>Has the council adopted a Code of Conduct?</p> <p>Has the Council adopted a Data Protection Policy, a Privacy Notice and Publication Scheme?</p> <p>Was the Annual Parish Council Meeting held within the prescribed timeframe?</p> <p>Was the Annual Parish Meeting held within the prescribed timeframe?</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>activity was noted.</p> <p>A financial/reputational risk assessment was carried out during the year and minuted at item 2025-1312 on 14th May 2025</p> <p>The Council is insured with Ecclesiastical Insurance Policy Number LCO02669 through Clear Councils Insurance Brokers</p> <p>Employers Liability and Public Liability are both set at £10 million</p> <p>Fidelity Cover = recommended guidelines of year end balances + 50% of the precept</p> <p>An Internal Financial Control document has been adopted on 10th September 2025 at item 2025/1365</p> <p>The Council has adopted the amended LGA/Chelmsford City Council Code of Conduct on 10th September 2025 at item 2025/1367</p> <p>Adopted on 10th September 2025 at items 2025/1368-1370</p> <p>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 14th May 2025 and the first item 20245-1299 was the election of the Chairman</p> <p>A Parish Meeting must be held annually between 1st March and 1st June (both inclusive). The Annual Assembly took place on 14th May 2025</p>
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Budgetary Controls	Has the council prepared an annual budget in support of its precept?	Yes	A budget was agreed at item 2024-1171 on 9 th October 2024 The Precept was agreed on 13 th November 2024 at item 2024-1194
	Is actual expenditure against the budget regularly reported to the council?	Yes	The receipts and payments are presented to the Council and minuted at each meeting as well as a comparison of expenditure to budget
	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 Excel spreadsheet. 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	The fees are reviewed annually

Petty cash procedures	The Council does not operate a petty cash system	N/A	Payments are made to the Clerk for reimbursement of purchases during the year
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Payroll Controls	Has a Responsible Financial Officer been appointed with specific duties?	Yes	The current Clerk took on the role on 14 th January 2016 and there is specific mention of the appointment as RFO
	Do all employees have contracts of employment with clear terms and conditions?	N/A	The Clerk is the only employee and the contract of employment has been seen

	<p>Do salaries paid agree with those approved by the Council?</p> <p>Are other payments to employees reasonable and approved by the Council?</p> <p>Has PAYE/NIC been properly operated by the Council as an employer including the issue of P60s?</p> <p>Does the Council pay the Parish Basic Allowance?</p> <p>Employer's Reference – 475/EA67871</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>No</p>	<p>Mileage allowance is paid</p> <p>The Council employs DM Payroll to calculate the payroll and submit information to HMRC by RTI Regular payments are made to HMRC and Essex LGPS</p>
Asset Controls	<p>Does the council maintain a register of all material assets owned or in its care?</p> <p>Are the assets and Investments registers up to date?</p>	<p>Yes</p> <p>Yes</p>	<p>Asset Register was agreed at item 2025/1310 on 14th May 2025, which considered the Register for the 2024/2025 year. The asset value listed in the Asset Register is the same as that recorded on the AGAR</p> <p>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</p>

Bank Reconciliation	<p>Is there a bank reconciliation for each account?</p> <p>Is a bank reconciliation carried out regularly and in a timely fashion?</p> <p>Are there any unexplained balancing entries in any reconciliation?</p>	<p>Yes</p> <p>Yes</p> <p>No</p>	
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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 a Receipts and Payments basis, as the Council is below the £200,000.00 threshold
	Do the accounts agree with the cashbook?	Yes	
	Is there an audit trail from underlying financial records to the accounts?	Yes	Sample payments were taken from August 2025 and February 2026 and were found to be correct
	Where appropriate, have debtors and creditors been properly recorded?	N/A	
	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 2025 was completed but not signed, as it had not been presented to the Council
	Is there a Certificate of Exemption?	Yes	
	Has the Council published five years of the Annual Return (AGAR) on its website under The Accounts & Audit Regulations 2015?	Yes	
	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	The period was 3 rd June 2025-14 th July 2025
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 2025/1364 on 10 th September 2025 The Internal Auditor was appointed on 14 th May 2025 at item 2025/1307
	Was the External Auditor's Report reported to the Council?	N/A	The Council is exempt from a review by the External Auditor under Section 9 Local Audit (Smaller Authorities) Regulations 2015

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?	No	