Leigh Parish Council Audit Testing 2025-26

Audit Number	Audit Area	AGAR Ref	AGS Ref	Test Description	Test complete	Comments
1	1. Governance Framework & Statutory Documents	B	2	Confirm Standing Orders are in place, adapted to the Council's needs, and reviewed within the last 3 years.	Yes	The Standing orders were revised and adopted in July 2025. See min ref: 10. **Recommendation 1: That the copy of the Standing orders on the website be annotated with the agreed date.**
1	1. Governance Framework & Statutory Documents	B	2	Confirm Financial Regulations are in place, adapted to the Council's needs, and reviewed within the last 3 years.	Yes	The Financial regulations were reviewed and agreed in March 2026. Min ref: 7 This document is available on the website.
1	1. Governance Framework & Statutory Documents	B	2	Review the Council's financial risk assessment and confirm it is adequate and reviewed annually.	Yes	The risk assessment was reviewed and agreed in March 2026. Min ref: 7
1	1. Governance Framework & Statutory Documents	B	2	Confirm procedures for tenders, quotes and procurement comply with Standing Orders and Financial Regulations, and thresholds match across documents.	Yes	The procedures are clearly set out in the Standing orders and financial regulations. Within the year the tender for grass cutting was issued and the process clearly minuted. The outcome of the tender was minuted in March 26 - see min ref: 5.3
1	1. Governance Framework & Statutory Documents	B	2	Confirm the Council has a documented process for ordering, delivery confirmation, invoice approval, and what is the evidence that this is done - e.g.: initials on invoices	Yes	Yes. The detail on ordering and invoice processing is laid out in the financial regulations. A full list of payments
1	1. Governance Framework & Statutory Documents	B	2	Confirm any changes to signatories, sweep arrangements or new accounts were formally authorised and minuted.	Yes	There are no sweep arrangements in place. The bank mandate was reviewed on two occasions during the year and minuted. The first to remove previous employee and councillor. The second to add a new councillor.
1	1. Governance Framework & Statutory Documents	B	2	Confirm segregation of duties exists between setting up payments and authorising/releasing them.	Yes	In March 26 the financial regulations were amended to change the setting up and authorising of payments so that the Clerk sets up the payment and only 1 councillors is required to authorise them. This was agreed by the council see min ref: 7. However there is evidence that the refund of the £8000 Lottery grant was set up by the Chairman and authorised by a second Councillor, this is contrary to the Financial Regulations section 6.1 which states that payments need to be set up by the RFO (in this case Clerk/RFO) and authorised by the Chairman. **Recommendation 2: That under no circumstances should Councillors be able to set up a payment on the bank system.**
1	1. Governance Framework & Statutory Documents	B	2	Confirm debit/credit card controls are in place, including limits and monthly settlement.	Yes	There is no evidence that a debit card has been used throughout the year.
2	2. Budgeting, Precept & Financial Monitoring	D	1	Confirm the full authority prepared, considered, approved and adopted the annual budget.	Yes	The budget was considered and amended over a period of time with the final adoption being made in January 2026 see min ref: 6.7
2	2. Budgeting, Precept & Financial Monitoring	D	1	Confirm the precept requested matches the amount received and recorded publicly.	Yes	The precept for 2026-27 was set at £11,500. The precept of 2025-26 was set at £11,062 and confirmed by the funds received. Both amounts have been confirmed on the Dorset Council website.
2	2. Budgeting, Precept & Financial Monitoring	D	1	Confirm budget monitoring reports are submitted at least half-yearly, with commentary on variances.	Yes	A budget monitoring spreadsheet has been developed and is available to all Councillors. Agreement has been minuted see example July 25 min ref: 5.5

2	2. Budgeting, Precept & Financial Monitoring	D	1	Confirm a general reserves policy exists and earmarked reserves are reviewed annually.	Yes	No general reserves policy exists, however earmarked reserves are notes and reviewed regularly. These are included in the minutes of each meeting. **<u>Recommendation 3</u>: That a general reserves policy is drafted and agreed.**
2	2. Budgeting, Precept & Financial Monitoring	J	2	If the annual turnover exceeds £200,000: a) have income and expenditure accounts been maintained. b) Debtors and Creditors managed at the year-end	Yes	The Council does not have an annual turnover of over £200,000. The Council also undertakes receipts and payment accounts so debtors and creditors are not part of the accounts.
3	3. Accounting Records & Cashbook Integrity	A	1	Confirm the carried-forward balance from the prior year agrees to the opening balance of the current year.	Yes	The carried forward balance of £12678.84 on the AGAR matches the bank statement with the exception of the play park funds which were not part of the Parish Council funds and were due to be returned.
3	3. Accounting Records & Cashbook Integrity	A	1	Check a sample of transactions from the cashbook to bank statements and supporting evidence.	Yes	A sample of transactions was tested and all were minuted. All invoices were provided and copies of the minute referring and agreeing to grant payments was included in the evidence file.
3	3. Accounting Records & Cashbook Integrity	A	1	Confirm S137 expenditure is correctly identified and within limits.	Yes	There were £570.00 paid in grants by the Council which were outside the scope of normal business. This was well within the S137 limit per elector of £11.10
3	3. Accounting Records & Cashbook Integrity	A	1	Confirm all cheques/BACS payments are recorded in the cashbook and visible on bank statements.	Yes	No cheques were written within the year and all BACs payments were in the cashbook.
3	3. Accounting Records & Cashbook Integrity	J	1	Verify AGAR Section 2 figures agree to the cashbook/electronic accounts.	Yes	Some of the rounded figures on the Accounting Statements do not match the bank reconciliation and cashbook. **<u>Recommendation 4</u>: That the figures on Section 2 of the AGAR are amended to provide the correct rounding's.**
4	4. Bank Reconciliation & Treasury Management	I	1	Confirm bank reconciliations are prepared at least quarterly and independently reviewed.	Yes	Bank reconciliations are provided at every Council meeting see example in November 25 min ref: 51
4	4. Bank Reconciliation & Treasury Management	I	1	Verify the accuracy of the year-end bank reconciliation and AGAR Line 8.	Yes	The end of year bank reconciliation is correct to the bank statements and rounded correctly at Line 8
4	4. Bank Reconciliation & Treasury Management	C	1	Confirm bank balances do not exceed FSCS protection limits, or appropriate risk mitigation is in place.	Yes	The Council bank balances to not exceed the FCSC protection limits.
4	4. Bank Reconciliation & Treasury Management	C	1	If balances exceeded £100,000 during the year, confirm an investment strategy was considered and documented.	Yes	The balance do not exceed £100,000 during the year so no investment strategy is required.
5	5. Income Controls	E	1	Confirm debtor balances are monitored and supported.	Yes	There are no debtor balances as receipts and payment accounts are used
5	5. Income Controls	E	1	For allotments: confirm tenancy agreements exist, registers are maintained, and arrears monitored.	Yes	The Council does not have allotments
5	5. Income Controls	E	1	For burials: confirm registers are maintained, memorials evidenced, and fees correctly charged and recovered.	Yes	The Council does not carry out burials

5	5. Income Controls	E	1	Does the Council own or lease a hall. If the Hall is owned but not operated by the Council has the required rent been received. If the Hall is operated by the Council is there a diary system for bookings which can be cross referenced to the payments in the cash book.	Yes	The Council does not operate a hall
5	5. Income Controls	E	1	Does the Council hold or issue any leases for assets. If so when are they due for renewal and have rents been reviewed if appropriate.	Yes	The Council leases Greys field and rental was received as expected in March 2026 of £180.00. There are 3 pieces of common land which are leased out along with Greys Field. These are: Longbridge Drove, Stake Ford and Totnell Copse. The 5-year rent for the Copse was received in May 2024 following amendment of the lease so its paid until May 2029.
5	5. Income Controls	E	1	Does the Council have any other income streams – coffee mornings, baby/toddler group/ twinning/village in bloom etc. If so are there procedures in place regarding the governance of these.	Yes	The precept, VAT return and Greys Field rent are the only regular income streams. There have been some donations towards Parish council legal fees relating to a land purchase. Many were direct donation to the Council. There is a also a donation from a Just Giving page. The auditor has not been able to find a just giving page for Leigh Parish Council - nor been given a statement to prove that the full amount has been transferred to the Council. **Recommendation 5: That the council will not permit or endorse third-party fundraising pages created in its name without prior written approval.** A policy should be drafted and adopted to cover donations both directly to and on behalf of the Council
5	5. Income Controls	E	1	Review the systems for handling cash (this is no longer restricted to PETTY CASH). Check that supporting documentation is held for ANY cash transaction and VAT correctly identified.	Yes	The financial regulations have detailed processes for cash handling. There is no example of any cash being received during the year.
5	5. Income Controls	E	1	If the Council hosts ANY type of retail facility e.g.: Bar or Catering then ensure that Cashing up procedures are in place with reconciliations and Z till reading evidence.	Yes	The Council does not host any retail facility.
5	5. Income Controls	E	1	Identify amounts receivable on set dates each year, e.g.: Rental and precept. Ensure that this income has been received is banked and included in the cashbook.	Yes	The rental for Greys field was received as expected, as was the precept.

5	5. Income Controls	E	1	Has the Council received CIL monies. If so, is the summary reconciliation available on the website	Yes	The Council has not received any CIL funds within the year. The CIL Report from Dorset Council shows that Leigh have received £9994.44 between Dec 2017 and Oct 2025. The response to the 2024 audit states that as this has been spent there is no requirement for a report. This is not correct. The Council must show that any CIL funds received since Dec 2017 have bee used within the allotted time and on projects that meet the CIL criteria. *This was a recommendation last year but the auditor is still unable to see the report which was minuted as being uploaded .* **Recommendation 6:** **That a CIL report is produced to show which planning applications generated the CIL funds listed above and what they were used for.**
6	6. Expenditure Controls & VAT	B	1	Confirm invoices support expenditure and match minutes authorising payment.	Yes	Invoices were provided and support the payments and minutes.
6	6. Expenditure Controls & VAT	F	1	Confirm VAT is correctly identified, coded and reclaimed.	Yes	Invoices were checked and all VAT is accounted for correctly.
6	6. Expenditure Controls & VAT	F	2	Confirm petty cash (if held) is reconciled regularly and VAT on petty cash invoices is correctly treated.	Yes	Petty cash is not held
6	6. Expenditure Controls & VAT	B	1	Check that VAT reclaims have been submitted regularly and all repayments received within the following quarter from submission	Yes	VAT of £102.26 was reclaimed in July 2025
7	7. Payroll & Staff Costs	G	2	Confirm all staff have formal contracts and any changes are documented and signed.	Yes	The Clerk has a contract for 4 hours a week at SCP 10
7	7. Payroll & Staff Costs	G	2	Confirm salary calculations match contracted hours and approved pay scales.	Yes	A professional payroll provider is paid to carry out the calculations on contracted hours.
7	7. Payroll & Staff Costs	G	2	Confirm correct tax codes are applied.	Yes	The Clerk is taxed at D0Wk1Mth1 which indicates they have income from elsewhere.
7	7. Payroll & Staff Costs	G	2	Confirm payroll software is up to date.	Yes	The payroll provider has ensured that the software is up to date.
7	7. Payroll & Staff Costs	G	2	Confirm tax, NI and pension contributions are correctly calculated and paid.	Yes	The clerks salary is below the national insurance threshold
7	7. Payroll & Staff Costs	G	2	Confirm net pay is correct and paid to staff and agencies.	Yes	The Gross pay less tax is correct
7	7. Payroll & Staff Costs	G	2	Confirm members' allowances follow proper procedures and tax/NI rules.	Yes	There are no Councillors allowances paid at this time
8	8. Asset Register & Investments	H	2	Confirm the asset register is maintained, updated for additions/disposals, and recorded at historic cost.	Yes	The Asset register was agreed in March 2026 (see min ref: 7) The minutes show that the new benches are goal were added. This document has been seen by the auditor but is not yet available on the website. **Recommendation 7: That the latest Asset Register is uploaded to the website.**
8	8. Asset Register & Investments	H	2	Confirm high-value assets are physically verified or confirmed by declaration.	Yes	The minutes of the March meeting show that the asset register was considered and agreed.
8	8. Asset Register & Investments	H	2	Confirm replacement/insured values are updated annually.	Yes	The asset register shows the valuation at the end of March 2026
8	8. Asset Register & Investments	H	2	Confirm AGAR Line 9 reflects prior year value adjusted for additions/disposals.	Yes	Line 9 on the AGAR matches that on the asset register reviewed

8	8. Asset Register & Investments	H	2	Confirm assets are appropriately insured.	Yes	The insurance policy was locked into a 3 year agreement which ends in June 2026. At this point the asset values will be considered to ensure that the insurance cover is adequate for the future year(s)
8	8. Asset Register & Investments	H	2	Confirm long-term investments are included in the investment strategy and AGAR.	Yes	The Council has no long-term investments.
8	8. Asset Register & Investments	H	2	If loans exist: confirm DMO approval, correct accounting, and balances verified.	Yes	The Council has an ongoing loan with DMO. A DMO statement for March 2026 confirms the outstanding balance as £28406.46. This is correctly rounded and showing on the AGAR in Line 10.
8	8. Asset Register & Investments	H	2	If the Council has loaned funds: confirm the debt is underwritten.	Yes	The Council has not loaned any groups funds.
8	8. Asset Register & Investments	H	2	Does the Council own a play area, if so is it regularly inspected and reports brought to the Council.	Yes	The Council has a play area and an annual inspection report was undertaken by Playsafe in May 2025 and reported to the Council in July 25 see min ref 12
9	9. Internal Audit & External Audit Processes	C	6	Confirm the Council appointed an independent and competent internal auditor.	Yes	The Council considered and appointed the Internal auditor in January 2026 (see min ref: 7)
9	9. Internal Audit & External Audit Processes	C	6	If the same auditor has been used for 3+ years, confirm alternative quotes were considered.	Yes	The current auditor has carried out the audit for the last 5 years (inc this year). **<u>Recommendation 8</u>: That the Council consider quotes from other auditors to ensure that they are getting best value and impartiality.**
9	9. Internal Audit & External Audit Processes	C	7	Confirm the internal audit report was presented to Council, understood, and minuted.	Yes	The internal audit report was presented to the Council in May 2025 (see min ref: 7)
9	9. Internal Audit & External Audit Processes	C	7	Confirm recommendations from internal/external auditors have been considered and action plans created.	Yes	The minutes show that the Clerk was to work through the recommendations (see AGM mins 5) and ensure that they were undertaken.
10	10. Exercise of Public Rights & Transparency	M	4	Confirm AGAR Sections 1 & 2, unaudited statements, and public rights notice were published correctly.	Yes	The AGAR for 24-25 is not published on the website, however the public rights notice is. **<u>Recommendation 9</u>: That the AGAR for 2024-25 is uploaded to the website.**
10	10. Exercise of Public Rights & Transparency	M	4	Confirm the public rights period covered 30 working days including the first week of July.	Yes	The public rights period covered the required time frame and was set from 3rd June - 14th July 2025.
10	10. Exercise of Public Rights & Transparency	M	4	Confirm the public rights dates were agreed and minuted when approving the AGAR.	Yes	The AGS was approved as part of the AGM meeting in May 2025 (See min ref 5). The public rights were approved as part of the full council meeting on the same date, see min ref: 7.
10	10. Exercise of Public Rights & Transparency	K	4	If exempt: confirm exemption was approved and published before 30 June.	Yes	The exemption certificate is available on the website and was approved at the full council meeting in May 25 see min ref: 7
10	10. Exercise of Public Rights & Transparency	N	4	Have all of the statutory disclosure /publication requirements in relation to the prior years AGAR have been met as detailed on the front page of the current years AGAR	Yes	See recommendation 9 above. In addition the bank reconciliation and variances need to be published. **<u>Recommendation 10:</u> That the bank reconciliation to the 31st March and the analysis of variances to the same date are published on the website.**

11	11. Digital & Data Compliance	L	10	Confirm the Council has at least one generic email address hosted on an authority-owned domain.	Yes	There is no evidence that a generic email address on an authority-owned domain is being used. The Clerks email is still via a 'gmail' address. There was a mention in the minutes that the Council had agreed a .org.uk address but there is no sign that this was implemented. **<u>Recommendation 11</u>: That the Council implements at least one generic email address**
11	11. Digital & Data Compliance	L	10	Confirm the Council's website meets accessibility regulations.	Yes	The Council website is not compliant with the WCAG 2.1 AA requirements. **<u>Recommendation 12</u>: That the Council website is updated to ensure that it meets the accessibility requirements.**
11	11. Digital & Data Compliance	L	10	Confirm Transparency Code requirements are met (expenditure lists, AGAR, audit reports, councillor details, land/buildings, etc).	Yes	The transparency code has not been met, but recommendations have been made relating to this earlier in the testing.
11	11. Digital & Data Compliance	L	10	Confirm GDPR training has been completed within the last 2 years.	Yes	There is no evidence within the minutes that Councillors have undergone GDPR Training. In addition the Council is not registered with the ICO as is required. **<u>Recommendation 13</u>: That GDPR training is undertaken.** **<u>Recommendation 14</u>: That the Council registers with the ICO**
11	11. Digital & Data Compliance	L	10	Confirm the Council has an IT policy reviewed within the last 12 months.	Yes	The Council has an IT policy that was agreed at the March 2026 meeting - min ref: 7. It is also on the website
11	11. Digital & Data Compliance	L	10	Does the Council have a GDPR Freedom of Information Policy	Yes	The Council has a Data Protection Policy, this is on the website but dated 2017. **<u>Recommendation 15</u>: That the Council reviews and revises its GDPR policy to meet current legislation.**
11	11. Digital & Data Compliance	L	10	Does the Council have a Retention Schedule and can they confirm that only the required documents are being held over all record media.	Yes	There is no evidence that a Retention schedule or publication scheme is in place. **<u>Recommendation 16</u>: That the Council sets out a publications scheme/retention schedule to show how they manage data.**
11	11. Digital & Data Compliance	L	10	Did the Council approve the Annual Governance Statement as a whole by resolution with a record made of this in the minutes.	Yes	This was recorded as part of the May 2026 AGM meeting minutes - see min ref 5.
12	12. Trust Funds (if applicable)	O	9	Confirm whether the Council is a sole managing trustee.	Yes	The Council is not a sole managing trustee
12	12. Trust Funds (if applicable)	O	9	If so, confirm responsibilities are met, finances are separate, and filing requirements are completed.	N/A	See above
12	12. Trust Funds (if applicable)	O	9	Confirm trust activity is reviewed, including independent examiner reports if required.	N/A	See above