

Annual Internal Audit Report 2025/26

GLASGOWBURY TOWN COUNCIL

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During the financial year ended 31 March 2026, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2025/26 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Cash payments were properly supported by receipts, all cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2024/25, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2024/25 AGAR tick "not covered")			✓
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2025/26 AGAR period, were public rights in relation to the 2024-25 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2024/25 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.	✓		
P. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

23/05/2026 26/05/2026

PAUL RUSSELL

Signature of person who carried out the internal audit

SIGNATURE REQUIRED

Date

26/05/2026

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Michelle Phillips
Responsible Financial Officer
Glastonbury Town Council
Town Hall
Magdalene Street
Glastonbury
Somerset, BA6 9EL

26th May 2026

Dear Michelle,

END OF YEAR AUDIT 2025/26

Parish & Town Auditing Services have been appointed to undertake the internal audits at Glastonbury Town Council. The first interim audit of the 2025/26 financial year was undertaken on 23rd January 2026. The end of year audit took place on Tuesday 26th May 2026.

I can confirm that I am independent of the Town Council.

As stated in the Letter of Engagement letter, the scope of our work is limited to completing the audit testing and enquiries we deem necessary to complete The Internal Audit Section of the Annual Report for Local Councils in England. We do not provide assurance over or accept responsibility for areas of work not included in this scope, unless specifically agreed with the Council during the financial year. In providing internal audit services we are not conducting a financial statement audit in accordance with standards and guidelines issued and our procedures are not designed to provide assurance over the reliability and quality of your financial statements. This will be undertaken by the Council's appointed External Auditor.

We are required by the Annual Internal Audit Report included in the Annual Governance and Accountability Return (AGAR) to review controls in place at the Council against predefined control assertions. These controls are included in the following report.

Thank you for all the information you have provided to enable the audit to be completed.

Yours sincerely,



Paul Russell, Internal Auditor

INTERNAL AUDIT

Outlined below is an overview of the 10 Assertions within the Practitioners Guide 2025. Each of these are dealt with under the relevant Governance sections contained in Section 1 of the AGAR:

AGS Assertion 1 — Financial management and preparation of accounts

- Accounting Records and supporting documents:
- Bank reconciliation:
- Budget setting:
- Investments:
- Reserves:
- General Reserves:
- Earmarked and other reserves:

AGS Assertion 2 — Internal control

- Standing Orders and Financial Regulations:
- Safe and efficient arrangements to safeguard public money:
- Employment:
- VAT
- Fixed assets and equipment:
- Loans and long-term liabilities:

AGS Assertion 3 — Compliance with laws, regulations and proper practices

- Acting with its powers:

AGS Assertion 4 — Exercise of public rights

AGS Assertion 5 — Risk management

AGS Assertion 6 — Internal audit

AGS Assertion 7 — Reports from auditors

AGS Assertion 8 — Significant events

AGS Assertion 9 — Trust funds (local councils only)

AGS Assertion 10 — Digital and data compliance

The following headings are based on Section 1 – Annual Governance Statement.

A. Appropriate accounting records have been properly kept throughout the financial year.

The Council has appointed a Responsible Financial Officer as required by Section 151 of LGA1972. This is clear on the website [Staff - Glastonbury Town Council](#)

Section 2 of the accounting statement for 2024/25 has restated the roll over figure in Box 7 as £1,177,547.

The Notice of Conclusion of Annual Audit has been published on the website for 2024/25. The Conclusion of Audit was reported to Full Council at its meeting on 14th October 2025 (Minute 142)

A sample of the financial transactions between 1st April and 31st March 2026 has been undertaken. The following checks were carried out:

- Review of a sample of invoices: A sample of invoices has been undertaken via the accounts package. Invoices are uploaded into the package and are marked as paid once authorised. All sample checks carried out were accurate.
- Sample invoices checked against the list of invoices paid: Sample checked was accurate.
- Sample invoices checked against the original bank statement: A sample of invoices was reviewed against the bank statements. All sample checks were accurate.

There is currently a proper process in place to ensure that financial information is correctly recorded and reported to Council as part of its governance procedures. Financial reports including the schedule of payments and the budget monitoring reports are published on the website.

The Council uses the Xero accounting software. Invoices are recorded on receipt by the RFO, coded with a reference number for the schedule of payments and inputted into the accounting system. Payment runs are undertaken at least twice a week. There are six bank authorising Councillors. Outstanding invoices for payment are forwarded to all authorising Councillors for approval. One Councillor will authorise.

All invoices are reviewed by the relevant manager, the RFO and Councillors, uploaded into the software. Supporting documentation is saved into the finance software. Payment is via online banking. Six Councillors are authorised signatories and one Councillor formally authorises each payment. The Payment Schedule is reported to Full Council for ratification every month and, as previously indicated, uploaded onto the website.

A Risk Management Strategy is currently in place. [Policy](#)

The RFO is responsible for the Council finances. The RFO inputs all financial transactions into the accounting software and then sets up payments. Councillors are provided with copies of all invoices, and one Councillor authorises all payments.

A [Scheme of Delegation](#) Policy and an [Internal Controls](#) Policy have been developed and adopted to help underpin current governance.

Bank reconciliations are prepared monthly for all accounts. Bank statements are signed off by the Town Clerk and a Member of the Council and are submitted on a quarterly basis for review by the Finance & General Purposes Committee.

It has been verified that the year-end bank reconciliation has accurately disclosure the combined cash and bank balances in the AGAR, section 2, line 8. Box 8 at year end amounts to £492,790.

The Council has an Investment strategy in place as required: [Investment-Policy.pdf](#)

The Council has met the requirements of this control objective.

B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

Tenders and Contracts are governed by the Financial Regulations. All contracts being tendered are published on the Council's website as well as the Find a Tender portal where required.

Tenders have previously been published via Contracts Finder. Financial Regulations outline the tender process to be followed and includes appendix one. Under the transparency page there is an area to publicise contracts and tenders.

Both Standing Orders and Financial Regulations have been updated and are based on recent NALC templates. **Recommend that the Contracts Finder reference be removed from the Financial Regulations (section 5).**

Currently the limits between both documents are consistent.

Financial recording and reporting procedure:

- The Council uses Xero financial software to manage its accounts;
- Invoices are received and reviewed for accuracy and authenticity by the RFO as well as the relevant department managers and the Town Clerk. Invoices are inputted into the accounting system and reports are created;
- A Payments report is developed and presented to Full Council, reviewed and accepted;
- The payment schedule includes any regular payments and Direct Debits and the charge card;
- The RFO sets up the payment of invoices and one of the six Councillor authorised signatories authorises the payment via online banking.

There is appropriate segregation in place. These continue to be improved to increase checks and authorisations.

The Council is VAT registered. VAT is normally claimed on a quarterly basis. The following claims have been made during the year according to the accounts package:

Q1	£117,570.12
Q2	£111,614.93
Q3	£90,507.89
Q4	£3,669.22

The Council has one multipay card in place linked to the Unity Trust account. Payments are reported monthly as part of the Payment Schedule.

The Council has adopted the General Power of Competence. This will be renewed following the next Council elections.

The Council has met the requirements of this control objective.

C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

An Asset Register is in place and has been updated. Value of assets at year end were £4,250,054.63.

The Council is insured with Zurich Municipal. Policy Number is YLL-272003-3243. It runs from 1st April 2025 to 31st March 2026. A review of asset values against insurance values was carried out. Council is adequately insured and has high value assets listed individually.

Cover includes Public Liability (£15 million), Employers Liability (£10 million), Hirers Liability (£2 million) and a Fidelity Guarantee which is currently £500,000.

The Council is responsible for nine play areas including a skate park. An annual RoSPA report is undertaken on the play areas. Copies of all the reports have been provided and reviewed.

In addition to the annual reports the play area equipment is checked every week by one of the two play area inspections who have appropriate training. Reports are stored in electronic form and findings are discussed with the Assistant Clerk.

The Council has good internal controls in place that ensures that it carries out its day-to-day business effectively and efficiently.

The Council has met the requirements of this control objective.

D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

At its meeting held on 14th January 2025 Full Council formally approved the budget and the setting of a precept. (Minute 189)

Minute 189:

**TO CONSIDER THE DRAFT BUDGET AND PRECEPT DEMAND
RECOMMENDATION FROM THE FINANCE AND GENERAL PURPOSES
COMMITTEE**

It was proposed by Cllr Henderson that the draft budget with the Town Clerk's adjustments be agreed and that a Precept Demand of £1,056,000 be made to Somerset Council, this represents a Band D Precept of £316.49 – an increase of 39 pence per week. 76% of households in Glastonbury are Bands A to C and will pay a smaller precept and increase. The Town Clerk is delegated the task of preparing, printing, and distributing the Precept information Leaflet to be delivered to households in BA6 8 and BA6 9 postcodes. This was seconded by Cllr Smyth and RESOLVED unanimously with two abstentions.

It has been confirmed that a precept of £1,056,000 was requested. (MHCLG Parish Code E3301P129)

Budget monitoring and budget performance is currently undertaken on a monthly basis by Full Council. A budget report is presented, reviewed and noted by Council and the reports are uploaded onto the website for transparency. The reports are very clear and highlight underspends and overspends as required.

The Council has Earmarked Reserves in place. The end of year balance is £175,901.75. The Council has adequate General Reserves of approximately £300,000 in place as at year end.

The Council has the following Balances at the bank as at 31st March 2026:

ACCOUNT	31/12/25
HSBC Current	£4,800.95
HSBC Deposit	£118,565.35
Unity Current	£5,723.65
Unity Deposit	£355,304.42
Nationwide	£6,755.25
Santander	£0.17
Mendip Credit Union	£1,676.69
Petty Cash	£120.81
Float	£160.00
Charge Card	-£317.96
TOTAL	£492,789.33

The Council has met the requirements of this control objective.

E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.

The Council has no aged debtors at year end. There are a number of debtors but these are less than three months old.

Glastonbury Town Council has an allotment site which it manages. It currently has a waiting list in place. Tenants sign up to a tenancy agreement. A copy of that agreement has been reviewed. [Allotments - Glastonbury Town Council](#)

There is a burial authority in place and it is responsible for a cemetery and a green burial site. Accounts are maintained separately. The internment fees are published on the Council's website. [Glastonbury Cemetery - Glastonbury Town Council](#)

The Council has a number of venue spaces that it hires out. It uses an Outlook calendar booking system that is accessible by all staff to manage bookings. Invoices are generated and sent out and must be paid prior to bookings taking place. A deposit is also collected. The price list is published on the website and additional incentives are given for multiple bookings. The system in place is robust and creates an internal audit trail.

Council has a number of other income streams it receives including interest, grants, markets, stall bookings, car parking income and donations. All income is recorded in the accounting system and marked as paid once payment has been received. A sample review of income received has been undertaken within the Xero accounts system.

The Council has met the requirements of this control objective.

F. Cash payments were properly supported by receipts, all cash expenditure was approved and VAT appropriately accounted for.

The Council operates three petty cash accounts. Balances have been outlined above. The accounts are reconciled on a monthly basis and VAT is claimed where appropriate.

The Council also has a float of £160 in place which does not fluctuate.

All petty cash is recorded in the Xero financial software and reconciled on a regular basis. Petty Cash controls are outlined in the Financial Regulations.

The Council has met the requirements of this control objective.

G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.

Each member of staff has a contract of employment in place.

Members do not receive a members allowance. The Mayor receives expenses to enable the position to carry out its role.

A sample of staff salaries have been reviewed. NJC pay scales are used.

A sample of staff salaries have been reviewed. Staff are employed on NJC pay scales. Tax codes have been applied to the employees reviewed.

Payroll was undertaken during the year in-house using Sage Payroll 50. Reports have been provided and details are included in the accounting package.

The Local Government Pension Scheme is in place. Pension contributions are deducted and monthly payments of employee and employer contributions are made to the scheme.

Both employee and employer NI contributions are applied and submitted to HMRC on a monthly basis.

A test sample was undertaken and it was confirmed that the correct net pay was paid to the employee with tax, NI and pension contributions correctly deducted and paid to the respective agencies.

The Council has met the requirements of this control objective.

H. Asset and investments registers were complete and accurate and properly maintained.

An Asset Register is in place and has been updated.

The audit was onsite and a tour of the new facilities was provided. Verification of the high valued assets including the two maces and weights and measures were verified.

The end of year asset value as stated on the AGAR is £4,250,054.63. This is the figure on the updated asset register available on the website.

A comparison between the asset register and the insurance schedule has been undertaken to ensure that all assets as recorded are appropriately insured or “self-insured” by the Authority. The Council is adequately insured.

The Council has no long-term investments in place.

The Council has three outstanding loans. The year end balances are as follows:

Number	From	To	Balance Box 10	Payments Box 5
PW504589	15-Jan-2016	15-Jul-2035	£170,512.80	£23,081.61
PW508574	14-Feb-2019	14-Aug-2038	£44,871.82	£4,636.15
896257	19-Jan-2026	19-Jan-2046	£450,000.00	£0 .00
			£665,384.62	£27,717.76

The third loan was drawn down in January 2026. Paperwork for the new loan (deal no 896257) amounting to £450,000 less £157.50 fee has been provided and reviewed. The relevant approval is in place.

No loans to other bodies identified.

The Council has met the requirements of this control objective.

I. Periodic bank account reconciliations were properly carried out during the year.

Bank reconciliations are undertaken monthly and reported to Full Council at each meeting when they are approved and signed off.

The Council has met the requirements of this control objective.

J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.

Accounts are maintained on an income and expenditure basis.

Accounting arrangements are in place to account for debtors and creditors during the year and at year end.

The Council has met the requirements of this control objective.

K. If the authority certified itself as exempt from a limited assurance review in 2024/25, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2024/25 AGAR tick “not covered”).

Not covered.

L. The authority publishes information on a free to access website/web page, up to date at the time of the internal audit in accordance with the relevant legislation.

The following information is published on the Town Council’s website. [Transparency - Glastonbury Town Council](#)

Expenditure exceeding £500

Local authorities must publish details of each individual item of expenditure that exceeds £500. [Published](#)

Government Procurement Card transactions

Local authorities must publish details of every transaction on a Government Procurement Card ([not applicable](#)).

Procurement information

Local authorities must publish details of every invitation to tender for contracts to provide goods and/or services with a value that exceeds £5,000. [Published](#).

Contracts

Local authorities must also publish details of any contract, commissioned activity, purchase order, framework agreement and any other legally enforceable agreement with a value that exceeds £5,000. [Published](#).

Information to be published annually

The following information should be published annually:

- Local authority land (The Asset Register) [Published](#).
- Social housing assets [Not applicable](#)
- Grants to voluntary, community and social enterprise organisations [Published](#)
- Organisation chart (Staff structure with Council and Committee structure) [Published](#)
- Trade union facility time (only applicable if you provide facilities for union representatives) [Not applicable](#)
- Parking account (to be published if parking income received) [Published](#).
- Parking spaces (publish the number of marked out controlled on and off-street parking spaces within their area, or an estimate of the number of spaces where controlled parking space is not marked out in individual parking bays or spaces) [Published](#).
- Senior salaries (One salary over £50k per annum) [Published](#).
- Constitution (Standing Orders) [Published](#).
- Pay multiple (see the code) [Published](#).
- Fraud (see the code) [Published](#).

The Council has met the requirements of this control objective.

M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (*during the 2025/26 AGAR period, were public rights in relation to the 2024-25 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set*).

The Notice was published on 30th June 2025 and ran until 8th August 2025 which met the 30 day requirement.

The Council did not formally minuted the dates of the public notice at the meeting where the AGAR was approved on 10th June 2025. **Recommend** that this be minuted in future.

The Council has met the requirements of this control objective.

N. The authority has complied with the publication requirements for 2024/25 AGAR.

Publication Requirements Under the Accounts and Audit Regulations 2015, Authorities must publish the following information on the authority website/webpage: Before 1 July 2025 authorities must publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited: [Published](#).
- Section 1 - Annual Governance Statement 2024/25, approved and signed, page 4: [Published](#)
- Section 2 - Accounting Statements 2024/25, approved and signed, page 5: [Published](#)

Not later than 30 September 2025 authorities must publish:

- Notice of conclusion of audit: [Published](#)
- Section 3 - External Auditor Report and Certificate: [Published](#)
- Sections 1 and 2 of AGAR including any amendments as a result of the limited assurance review: [Published](#)

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3. [Published](#).

The Council has met the requirements of this control objective.

O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.

The Council has a .gov.uk domain for its website. Staff and Councillors are provided with an official .gov.uk email address and these are publicised on the website. Emails are managed within a secure environment by the Council.

Council meets the best practice requirement for emails and has a directly owned .gov.uk domain name for its emails and website.

The Council has an IT & Security policy in place as required. [IT-Policy.pdf](#)

The Council has an Accessibility Statement published on its website. [Accessibility Statement and Policy - Glastonbury Town Council](#)

Note that since September 2020, all parish and town councils must have a website that complies with Website Content Accessibility Guidelines (WCAG). As from October 2024 that rating level changed from WCAG2.1AA to WCAG2.2AA so that it meets Accessibility Guidelines as set in the Public Sector Bodies Accessibility regulations.

Two scans have been undertaken. Scan one for compliance with WCAG2.2AA scored 65%: [Scan Results — CompliaScan](#)

Scan 2 for accessibility scored 9.7 out of 10: [WAVE Report of Home - Glastonbury Town Council](#)

Glastonbury Town Council's website is WCAG2.2AA compliant and accessible.

Data Protection – The Council has the following data protection in place as required:

- The Council has a Data Protection Lead as outlined in the Data Protection Policy.
- A data audit: Completed.
- Data Protection Policy: [Data-Protection-Policy.pdf](#)
- Data Retention Policy: [Retention-Policy.pdf](#)
- Privacy Policy: [Privacy Policy - Glastonbury Town Council](#)
- Data Breach Policy: [Data-Breach-Procedure.pdf](#)
- Subject Access Request: [Subject-Access-Request-Form.pdf](#)

- DPIA: [DPIA-Form-Revised.pdf](#)
- Training has been provided to ensure all staff and members are trained.
- Data is held in a secure environment.

Council has an FOI publication scheme in place: [Publication-Scheme-Policy.pdf](#)

The Council has met the requirements of this control objective.

P. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.

The Council is not a sole trustee.