

HEELIS&LODGE

Local Council Services • Internal Audit

Internal Audit Report for Eye Town Council – 2024/2025

The following Internal Audit was carried out on the adequacy of systems of control in accordance with the requirements of the Audit and Accounts Regulations 2015 and the guidance and instruction in the Practitioners Guide 2024. The following recommendations/comments have been made:

Income: £198,531

Expenditure: £186,943

Reserves: £268,070

2025 AGAR Completion:

Section One: [Yes – approved by council 14/5/2025 \(Ref: 16.f.i\)](#)

Section Two: [Yes – approved by council 14/5/2025 \(Ref: 16.f.ii\)](#)

Annual Internal Audit Report 2024/2025: [Yes](#)

Certificate of Exemption: [No](#)

Proper book-keeping Cash Book, regular reconciliation of books and bank statements. Supporting vouchers, invoices and receipts

All were found to be in order. LGAs137 and VAT payments are tracked and identified within the year end accounts.

The cashbook is referenced providing a clear audit trail. Supporting paperwork is in place and well referenced. The Council use the Scribe accounting package. Online read only access was provided.

Financial regulations Standing Orders and Financial Regulations
Tenders
Appropriate payment controls including acting within the legal framework with reference to council minutes
Identifying VAT payments and reclamation
Cheque books, paying in books and other relevant documents

Standing Orders in place: [Yes](#)

Reviewed: [22/1/2025 \(Ref: 12.g\)](#)

Financial Regulations in place: [Yes](#)

Reviewed: [22/1/2025 \(Ref: 12.f\)](#)

VAT reclaimed during the year: [Yes](#)

Registered: [Yes](#)

Submission Period:	Amount:
<i>01/04/2024-30/06/2024</i>	<i>£6,069.45</i>
<i>01/07/2024-30/09/2024</i>	<i>£736.09</i>
<i>01/10/2024-31/12/2024</i>	<i>£1,595.83</i>
<i>01/01/2025-31/03/2025</i>	<i>£734.71</i>

General Power of Competence: **No**

Policy Review Schedule in place: **Yes**

There were no tenders during the year that exceeded the £30,000 Public Contract Regulations threshold.

The Council reviewed the following documents during the year of audit:

16/10/2024

- Neighbourhood Plan Terms of Reference (Ref: 6.a)*

19/6/2024

- Committee Terms of Reference (Ref: 06/2024-073.b)*

6/6/2024

- Complaints Procedure*
- Freedom of Information/Publication Scheme*
- Information Protection Scheme*
- Information Security Policy*
- Data Protection Policy*
- Dealing with the Press & Media*

Risk Assessment

Appropriate procedures in place for the activities of the council
Compliance with Data Protection regulations

Risk Assessment document in place: **Yes**

Data Protection registration: **Yes** Ref: **ZA059872**

Data Protection

The General Data Protection Regulations have changed and the new Regulations came into force on 25 May 2018. It is likely that this will affect the way in which the Council handles its data. Due to the financial risk associated with the General Data Protection Regulations, the Council have included this in their Risk Assessment.

Privacy Policy published: **Yes**

Link: <https://www.eyesuffolk.org/town-council/council-meetings/council-policies-and-regulations/>

Insurance was in place for the year of audit (current policy valid 10/6/2025 – 9/6/2026). There is no evidence in the minutes that the Risk Assessment or Internal Controls were reviewed during the year of audit.

Recommendation: *To undertake and minute a review of the Risk Assessment and Internal Controls during the year of audit.*

The Council have satisfactory internal financial controls in place. The Clerk provides financial reports to council meetings. Councillors are provided with information to enable them to make informed decisions.

Fidelity Cover: £500,000

The level of Fidelity cover is within the recommended guidelines of year end balances plus 50% of the precept.

Transparency

Under the **Transparency code for smaller authorities**, smaller councils with income/expenditure under £25,000 should publish on their website from 1 April 2015:

Smaller Council: No

Website: <https://www.eyesuffolk.org/>

The Council is not subject to the requirements of the Transparency Code for smaller Councils. The Transparency Code for Councils with a turnover exceeding £200,000 is not covered as part of the Internal Audit.

Under **The Accounts & Audit Regulations 2015 15** councils must publish on their website:

External audit report

2024 Annual Return, Section One Published – Yes

2024 Annual Return, Section Two Published – Yes

2024 Annual Return, Section Three Published – Yes

Under **The Accounts & Audit Regulations** councils must publish on their website:

Notice of period for the exercise of public rights

Published – Yes

Period of Exercise of Public Rights

Publication Date: 30/6/2024 Start Date: 1/7/2024 End Date: 9/8/2024

Under the requirements of the **Accounts and Audit Regulations 2015 13(2b)** council are required to display AGARs for the five years 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 on their website.

The Council have met the publication requirements.

Budgetary controls supporting documents

Verifying the budgetary process with reference to council minutes and

Precept: £149,345 (2025-2026) Date: 20/11/2024 (Ref: 11/2024-152.c)
Precept: £146,850 (2024-2025) Date: 20/12/2023 (Ref:12/2023-281.f)

Good budgetary procedures are in place. The precept was agreed in full council and the precept decision and amount has been clearly minuted. The Clerk ensures the council are aware of responsibilities, commitments, forward planning and the need for adequate reserves. Budget papers are prepared to ensure councillors have sufficient information to make informed decisions. Budgets are monitored during the year.

Section 2, Box 2 of the 2025 AGAR corresponds with the precept decision.

Income controls

Precept and other income, including credit control mechanisms

All were found to be in order. Income controls were checked and a sample of income received and banked cross referenced with the Cash Book and bank statements.

Market stall fees were reviewed and increased at a meeting held on 22/1/2025 (Ref: 11.a).

Petty Cash

Associated books and established system in place

A satisfactory expenses system is in place with supporting paperwork. No Petty Cash held.

Payroll controls

PAYE and NIC in place where necessary.
Compliance with Inland Revenue procedures
Records relating to contracts of employment and pensions

PAYE System in place: **Yes**
Employer's Reference: **245/MZ72047**
P60s issued: **Yes**

The Council continue to operate RTI in accordance with HMRC regulations. Payroll is outsourced. Supporting paperwork is in place and P60s have been produced as part of the year end process.

Eligible employees have joined the nominated pension scheme. The next due date is 2/10/2025.

Asset control

Inspection of asset register and checks on existence of assets
Cross checking on insurance cover

A separate asset register is in place. Values are recorded at cost value/insurance value. The total value of assets are recorded at £270,778. The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR.

Bank Reconciliation

Regularly completed and cash books reconcile with bank statements

All were in order. Bank Reconciliations are carried out regularly. The bank statements reconciled with the end of year accounts and bank reconciliations for all accounts.

Bank Balances at 31 March were confirmed as:

<i>NS&I</i>	<i>xxxx0104</i>	<i>£31,272.41</i>	<i>(January 2023)</i>
<i>Barclays Business</i>	<i>xxxx1314</i>	<i>£50,789.64</i>	
<i>Barclays Current</i>	<i>xxxx5914</i>	<i>£183,464.32</i>	

It is noted that a statement has not been received for the NS&I account since January 2023. A further one was due in January 2024 and January 2025, which will have showed interest accrued during the year. This will need to be rectified in the 2025-2026 financial year.

The Council had outstanding (PWLB) loans with the UK Debt Management Office (DMO) of £86,265.71 at the year end verified by the 31st March statement.

Reserves

General Reserves are reasonable for the activities of the Council
Earmarked Reserves are identified

The Council have adequate general reserves (£197,965.28) and have identified earmarked reserves of £70,104.27 in their year end accounts. Reserves are monitored throughout the year.

Year-end procedures

Appropriate accounting procedures are used and can be followed through from working papers to final documents
Verifying sample payments and income
Checking creditors and debtors where appropriate.

End of year accounts are prepared on an Income & Expenditure basis. Creditors and Debtors are identified within the year end accounts.

Local Council Tax Support Grant is excluded from Box 2: **NA**
Balance Sheet is correct: **Yes**
Trial Balance is correct: **Yes**

Sole Trustee

The Council has met its responsibilities as a trustee

The Council is not a sole trustee.

Internal Audit Procedures

The 2024 Internal Audit report was considered by the Council at a meeting held on 15/5/2024 (Ref: 05/2024-065.e).

A review of the effectiveness of the Internal Audit was carried out on 15/5/2024 (Ref: 05/2024-065.e).

Heelis & Lodge were appointed as Internal Auditor at a meeting held on 14/5/2025 (Ref: 15.e).

External Audit

The Council formally approved the 2024 AGAR at a meeting of the full Council held on 17/4/2024 (Ref: 04/2024-046.d).

The External Auditor's report was considered at a meeting held on 3/10/2024 (Ref: 10/2024-86).

There were no matters arising from the External Audit.

Additional Comments/Recommendations

- The Annual Town Council meeting was held on 15/5/2024. The first item of business was the Election of Chairman, in accordance with Standing Orders.
- **Recommendation:** For the presiding Chair to initial each loose-leaf page of the minutes in addition to dating and signing the final page. This is a requirement of keeping minutes in a loose-leaf format.
- There are no additional comments/recommendations to make in relation to this audit.
- I would like to record my appreciation to the Clerk to the Council for their assistance during the course of the audit work and the quality of documentation provided for the audit.



Heather Heelis
Heelis & Lodge
24 June 2025

HEELIS&LODGE

Local Council Services • Internal Audit

www.heelisandlodge.co.uk

INVOICE

To:

Eye Town Council

Invoice No: HL9615

Date: 24 June 2025

Details	Quantity	Amount (£)	Total (£)
To carry out Internal Audit for Eye Town Council for the year ended 31 March 2025 Banding £150,001 - £200,000	1	350.00	350.00
Total			350.00

Please make cheques payable to: Heelis & Lodge

Bank Details: Account 02539349 **Sort Code 09-01-50**

NB Change to bank account details

Terms – 30 days

Thank you.

HEELIS&LODGE

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