

HEELIS&LODGE

Local Council Services • Internal Audit

Internal Audit Report for Eye Town Council – 2025/2026

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 2025. The following recommendations/comments have been made:

Income: £ 223,803.09 Expenditure: £ 242,614.84 Reserves: £249,257.80

2026 AGAR Completion:

Section One: [Yes – approved by Council on 15/4/2026 \(Ref: 12.f.i\)](#)

Section Two: [Yes – approved by council on 15/4/2026 \(Ref: 12.f.ii\)](#)

Annual Internal Audit Report 2025/2026: [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 through the Scribe accounting software.

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](#) Reg: [291895648](#)

Submission Period:	Amount:
01/04/2025-30/06/2025	£318.97
01/07/2025-30/09/2025	£1,010.34
01/10/2025-31/12/2025	£8,052.94
01/01/2026-31/03/2026	£8,710.10

Contact details : 1 Hembling Terrace, Mill Lane, Suffolk, IP13 0PP

Tel: 07732 681125

Email: heather@heelis.eu

Heather Heelis Dip HE Local Policy FILCM

Lynne Lodge Dip HE Local Policy

General Power of Competence: No

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:

18/2/2026

- CCTV Policy

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 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.

Insurance was in place for the year of audit (valid 10/6/2026-9/6/2027), with a review being undertaken at a meeting held on 18/6/2025 (Ref: 06/2025-11.e). The Risk Assessment was reviewed at a full Council meeting held on 17/9/2025 (Ref: 9.a).

Statement of Internal Controls in place: Yes – reviewed 16/7/2025 (Ref: 9.b)

The Council have good 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.

It is noted that the Council have published individual salary payments for 2024-2025 on their website:

<https://eyetowncouncil.gov.uk/wp-content/uploads/2026/04/Unaudited-acocounts-2024-25.pdf>

Recommendation: *As individual salary details are classed as confidential information it is suggested that this information is redacted prior to publishing.*

Fidelity Cover: £500,000

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

Transparency

Compliance with **Assertion 10**:

Website link: <https://eyetowncouncil.gov.uk/>

Privacy Policy published: **Yes**

Link: <https://eyetowncouncil.gov.uk/privacy-policy/>

IT Policy in place: **Yes**

IT Policy published: **Yes**

Link: <https://eyetowncouncil.gov.uk/information-protection-policy/>

Data Protection Policy in place: **Yes**

Data Protection Policy published: **Yes**

Link: <https://eyetowncouncil.gov.uk/data-protection-policy/>

Accessibility Statement in place: **Yes**

Accessibility Statement published: **Yes**

Link: <https://eyetowncouncil.gov.uk/accessibility-statement/>

Generic Council email addresses for officials in place: **Yes**

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

Audited AGAR:

2025 Annual Return, Section One Published – Yes

2025 Annual Return, Section Two Published – Yes

2025 Annual Return, Section Three Published – Yes

Notice of period for the exercise of public rights (2025)

Published – Yes

<https://eyetowncouncil.gov.uk/wp-content/uploads/2026/04/Notice-of-public-rights-and-publication-of-unaudited-AGAR-2024-25.pdf>

Notice of Conclusion of Audit (2025)

Published – Yes

<https://eyetowncouncil.gov.uk/wp-content/uploads/2026/05/S25C-0i25102217180.pdf>

Period of Exercise of Public Rights

Publication Date: **30/6/2025** Start Date: **1/7/2025** End Date: **11/8/2025**

Under the requirements of the **Accounts and Audit Regulations 2015 13(2b)** council are required to display AGARs for the five years 2020-21, 2021-22, 2022-23, 2023-24 and 2024-2025 on their website.

	Section 1	Section 2	Section 3 (Audited)
2020 - 2021	Yes - unsigned	Yes - unsigned	Yes
2021 - 2022	Yes	Yes	Yes
2022 - 2023	Yes	Yes	Yes
2023 - 2024	Yes	Yes	Yes
2024 - 2025	Yes	Yes	Yes

The Council have met the publication requirements.

Under the **Transparency code for smaller authorities**, smaller councils with income/expenditure over £200,000 should publish on their website from 1 April 2015:

Expenditure items over £500 (quarterly) published: Yes – example below

Link: <https://eyetowncouncil.gov.uk/wp-content/uploads/2026/02/Uncashed-payments.pdf>

Procurement data published (contracts exceeding £5,000): Yes

Link: <https://eyetowncouncil.gov.uk/wp-content/uploads/2026/05/Transparency-Code-Apr2025-Mar2026.pdf>

Grants awarded to voluntary, community or external bodies published: Yes

Link: <https://eyetowncouncil.gov.uk/wp-content/uploads/2026/05/Transparency-Code-Apr2025-Mar2026.pdf>

Senior salaries (over £50,000) published: NA

Link: <https://eyetowncouncil.gov.uk/wp-content/uploads/2026/05/Transparency-Code-Apr2025-Mar2026.pdf>

Land and car parks published: Yes – asset register published

Link: <https://eyetowncouncil.gov.uk/asset-register/>

It is noted that the asset register published on the website is dated 16/3/2022.

Recommendation: *To publish the latest asset register.*

Publication Scheme published: Yes

Link: <https://eyetowncouncil.gov.uk/foi-publication-scheme/>

The Council have met the requirements of the Transparency Code for smaller councils with income/expenditure exceeding £200,000.

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: £156,812 (2026-2027)

Date: 17/12/2025 (Ref: 11.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.

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.

Burial and headstone fees were reviewed at a meeting held on 18/3/2026 (Ref: 9.e), where it was resolved to implement a 15% increase.

Cash

Associated books and established system in place

There have been no cash payments made during the year of audit.

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 last date of re-declaration of compliance was 21/10/2025.

Contracts of Employment and subsequent salary agreements are in place for all staff employed by the Council.

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 £283,581. 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:

*NS&I xxxx0104 £31,830.37
(no movement from 2/1/2025 to 15/12/2025)*

*Barclays Business xxxx1314 £51,406.49
Barclays Current xxxx5914 £143,972.38*

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 of £150,964 and have identified earmarked reserves of £98,294 in their year end accounts.

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.

Sole Trustee

The Council has met its responsibilities as a trustee

The Council is not a sole trustee.

Internal Audit Procedures

The 2024-2025 Internal Audit report was considered by the Council at a meeting held on 16/7/2025 (Ref: 9.c).

A review of the effectiveness of the Internal Audit was carried out on 16/7/2025 (Ref: 9.c).

Heelis & Lodge were appointed as Internal Auditor at a meeting held on 15/4/2026 (Ref: 12.e).

External Audit

The Council formally approved the 2025 AGAR at a meeting of the full Council held on 14/5/2025 (Ref: 16.f).

There was no evidence that the External Auditor's report was considered at a meeting.

Recommendation: *To formally minute the review the External Auditor's report.*

The following matters were brought to the attention of the Council:

2 External auditor's limited assurance opinion 2024/25

Except for the matters reported below, on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

The AGAR was not accurately completed before submission for review. Please ensure that amendments are corrected in the prior year comparatives when completing next year's AGAR:

- The smaller authority has confirmed that the figures in Section 2, Boxes 4 and 6 for the current year are incorrect due to an error in the accounting system and should read £61,888 and £104,356 respectively.

Other matters not affecting our opinion which we draw to the attention of the authority:

The smaller authority has confirmed that it has not complied with the governance Assertion in Section 1, Box 5, but it has provided the appointed auditor with an adequate explanation for non-compliance and details of the actions necessary to address weaknesses identified. The internal auditor has drawn attention to the same matter in the completion of the Annual Internal Audit Report, where they have answered 'No' to internal control objective C, and their detailed report.

The smaller authority has not provided an adequate numerical explanation for the variance between the prior and current year values in Box 6 of Section 2

Additional Comments/Recommendations

- The Annual Town Council meeting was held on 14/5/2025. The first item of business was the Election of Mayor, in accordance with Standing Orders.
- 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
15 May 2026

Contact details : 1 Hembling Terrace, Mill Lane, Suffolk, IP13 0PP
Tel: 07732 681125
Email: heather@heelis.eu

Heather Heelis Dip HE Local Policy FILCM
Lynne Lodge Dip HE Local Policy

HEELIS&LODGE

Local Council Services • Internal Audit

www.heelisandlodge.co.uk

INVOICE

To:

Eye Town Council

Invoice No: HL9712

Date: 15 May 2026

Details	Quantity	Amount (£)	Total (£)
To carry out Internal Audit for Eye Town Council for the year ended 31 March 2026 Banding £200,001 - £300,000	1	440.00	440.00
Total			440.00

Please make cheques payable to: H J Heelis

Bank Details: Account 92002930 Sort Code 40-47-80

NB Change to bank account details

Terms – 14 days

Thank you.

HEELIS&LODGE

Contact details : 1 Hembling Terrace, Mill Lane, Suffolk, IP13 0PP

Tel: 07732 681125

Email: heather@heelis.eu

Heather Heelis Dip HE Local Policy FILCM

Lynne Lodge Dip HE Local Policy