

# HEELIS&LODGE

Local Council Services • Internal Audit

## Internal Audit Report for Tostock Parish 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: £19,726.44 Expenditure: £12,960.41 Reserves: £63,215.49

### 2025 AGAR Completion:

Section One: No – to be completed and approved by council

Section Two: Yes (draft figures) – to be approved by council

Annual Internal Audit Report 2024/2025: Yes

Certificate of Exemption: Yes – to be approved

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

*All were found to be in order. VAT payments are tracked and identified within the year end accounts. There were no LGAs137 payments made during the year.*

*The cashbook is referenced providing a clear audit trail. Supporting paperwork is in place and well referenced.*

**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: (Ref: )

Financial Regulations in place: Yes

Reviewed: 16/7/2024 (Ref: 24.07.11)

VAT reclaimed during the year: Yes

Registered: No

Submission Period: Amount:

01/04/2024-31/03/2025 £112.92

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

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 policies during the year of audit:*

11/3/2025

- *Communications and Media*
- *Environment and Climate Change*
- *Health and Safety*

14/5/2024

- *Equality and Diversity*
- *Home Working*
- *Financial Reserves*
- *Biodiversity*

## **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: ZA128874

### **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://tostock-pc.gov.uk/assets/Parish-Council-Data-Protection/Privacy-Notice-2024-03-12.pdf>

*Insurance was in place for the year of audit with a review being undertaken at a meeting held on 10/9/2024 (Ref: 24.09.08). The Risk Register was reviewed at a meeting held on 14/5/2024 (Ref: 24.05.13).*

Statement of Internal Controls in place: Yes  
(reviewed 11/3/2025 and 14/5/2024)

*The Council have effective 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.*

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Fidelity Cover: £100,000

*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: Yes

Website: <https://tostock-pc.gov.uk/>

- a) all items of expenditure above £100  
*Published – Yes – contained within the minutes*
- b) annual governance statement (By 1 July)  
*2023 Annual Return, Section One Published – Yes*
- c) end of year accounts (By 1 July)  
*2023 Annual Return, Section Two Published – Yes*
- d) internal audit report (By 1 July)  
*2023 Annual Return, Section Four Published – Yes*
- e) list of councillor or member responsibilities  
*Published – Yes*
- f) the details of public land and building assets (By 1 July)  
*Published – Yes – asset register*
- g) minutes, agendas and meeting papers of formal meetings  
*Published – Yes*

*The Council have met the requirements of the Transparency Code for smaller councils.*

Under **The Local Audit (Smaller Authorities) Regulations 2015 9(6 & 7)** a smaller council having certified itself as an Exempt Authority must publish on their website:

Certificate of Exemption

*Certificate of Exemption Published - Yes*

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

Notice of period for the exercise of public rights

*Published – Yes (minute 14/5/2024 – 24.05.16.8)*

Period of Exercise of Public Right

Publication Date: 31/5/2024 Start Date: 3/6/2024 End Date: 12/7/2024

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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: £12,463 (2025-2026) Date: 14/1/2025 (Ref: 25.01.07.4)

Precept: £12,323 (2024-2025) Date: 9/1/2024 (Ref: 24.01.07.5)

*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.*

**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: **120/NE71782**  
P60s issued: **Yes**

*The Council continue to operate RTI in accordance with HMRC regulations. Supporting paperwork is in place and a P60 has been produced as part of the year end process.*

*The last declaration of compliance to the Pensions Regulator was made on 19/2/2024.*

*It is noted that the Council undertook a review of salaries at a meeting held on 12/11/2024.*

**Asset control**

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

*A separate asset register is in place with a review undertaken at a meeting held on 14/5/2024 (Ref: 24.05.17). Values are recorded at cost value. The total value of assets are recorded at £35,409.75. 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>NatWest Current</i>	<i>xxxx2847</i>	<i>£3,505.17</i>
<i>NatWest Reserve</i>	<i>xxxx7158</i>	<i>£63,215.49</i>

*The Council had no outstanding loans at the year end.*

**Reserves**

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

*The Council have adequate general reserves (£4,084.50) and have identified earmarked reserves of £59,130.99 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 a Receipts & Payments basis.*

**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 16/7/2024 (Ref: 24.07.07.4).*

*A review of the effectiveness of the Internal Audit was carried out on 11/3/2025 and 14/5/2024.*

*Heelis & Lodge were appointed as Internal Auditor at a meeting held on 14/1/2025.*

## **External Audit**

*The Council formally approved the 2024 AGAR at a meeting of the full Council held on 14/5/2024 (Ref: 24.05.15 and 24.05.16.6).*

*The Council declared themselves Exempt from External audit for the 2023-2024 financial year (Ref: 14/5/2024 – 24.05.14).*

## **Additional Comments/Recommendations**

- The Annual Parish Council meeting was held on 14/5/2024. The first item of business was the Election of Chairman, 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  
23 April 2025