

# HEELIS & LODGE

Local Council Services • Internal Audit

## **Internal Audit Report for Letheringham 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: £3,436.79    Expenditure: £3,511.71    Reserves: £8,526.32

### 2025 AGAR Completion:

Section One: [To be completed and approved by the Council](#)

Section Two: [Yes \(draft figures\) – to be approved by Council](#)

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

Certificate of Exemption: [Yes – to be completed and approved by the Council](#)

**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: [11/11/2024](#)

Financial Regulations in place:    [Yes](#)

Reviewed: [9/9/2024](#)

***Recommendation:*** *When next updating Standing Orders, SO.18.c will need updating to reflect the Public Contract Regulations 2023 (See Financial Regulation 5.6)*

VAT reclaimed during the year: **Yes**  
Registered: **No**

Submission Period: **Amount:**  
*01/04/2022-30/06/2024* *£166.30*

General Power of Competence: **No**

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

*The Council reviewed/adopted the following documents during the year of audit:*

*11/11/2024*

- Retention of Documents Policy*
- Code of Conduct*
- Freedom of Information*

*9/9/2024*

- Data Protection Risk Assessment*
- Privacy Notice*
- Parish Council Risk Assessment*

## **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: **No**

### ***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 adopted a separate Risk Assessment (Ref: 9/9/2024).*

Privacy Policy published: **Yes**

Link: <https://letheringham.onesuffolk.net/assets/Policies/LPC-Privacy-Notice-for-Public.pdf>

*Insurance was in place for the year of audit with a review being undertaken on 10/2/2025. The Risk Assessment was reviewed at a meeting held on 9/9/2024.*

Statement of Internal Controls in place: **Yes (adopted 8/7/2024)**

*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.*

*The Council resolved to move to online banking at a meeting held on 9/9/2024.*

Fidelity Cover: £25,000

*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://letheringham.onesuffolk.net/>

- 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 – The Council do not have any land or buildings in their ownership*
- 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*

Period of Exercise of Public Rights

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

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Heather Heelis Dip HE Local Policy FILCM

Lynne Lodge Dip HE Local Policy

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: £2,000 (2025-2026)                      Date: 11/11/2024  
Precept: £2,000 (2024-2025)                      Date: 22/1/2024

*Satisfactory budgetary procedures are in place. The precept budget 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/AE78400**  
P60s issued: **Yes**

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

*It is noted that the Council undertook a review of salaries at a meeting held on 11/9/2024.*

**Asset control**

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

*A separate asset register is in place. Values are recorded at cost value. The total value of assets are recorded at £5,285. 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>Barclays Savings</i>	<i>xxxx1431</i>	<i>£7,324.45</i>
<i>Barclays Current</i>	<i>xxxx1423</i>	<i>£1,201.87</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 (£1,276) and have identified earmarked reserves of £7,250 in their year end accounts. A Reserves Policy is in place (adopted 10/2/2025) allocating reserves and detailing the use of £1,035 from reserves to meet the budget deficit.*

**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 8/7/2024.*

*A review of the effectiveness of the Internal Audit was carried out on 8/7/2024.*

*Heelis & Lodge were appointed as Internal Auditor at a meeting held on 10/2/2025.*

**External Audit**

*The Council formally approved the 2024 AGAR at a meeting of the full Council held on 6/5/2024 (Ref: 2024.34.04).*

*The Council declared themselves Exempt from External audit for the 2023-2024 financial year (Ref: 6/5/2024 – 2024.34.05).*

**Additional Comments/Recommendations**

- The Annual Parish Council meeting was held on 6/5/2024. The first item of business was the Election of Chairman, in accordance with Standing Orders.
- It is noted that the Council resolved to not employ a Clerk after the current contract finishes and revert back to sharing the administration between councillors (Ref: 10/2/2025). In the absence of a Clerk, the Council should be mindful that decisions are made in accordance with relevant legislation.
- 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

**Heather Heelis**

Heelis & Lodge  
23 April 2025

# HEELIS&LODGE

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[www.heelisandlodge.co.uk](http://www.heelisandlodge.co.uk)

## INVOICE

**To:**

Letheringham Parish Council

Invoice No: HL9546  
Date: 32 April 2025

Details	Quantity	Amount (£)	Total (£)
To carry out Year End Internal Audit for Letheringham Parish Council for the year ended 31 March 2025	1	85.00	85.00
Total			85.00

Please make cheques payable to: Heelis & Lodge

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

**NB Change to bank account details**

Terms – 14 days

Thank you.

HEELIS&LODGE

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