

# HEELIS & LODGE

Local Council Services • Internal Audit

## **Internal Audit Report for Boxford Parish 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: £22,035.28 Expenditure: £21,005.34

Reserves: £4,607.89

### 2026 AGAR Completion:

Section One: **Yes – to be approved by council**

Section Two: **Yes – to be approved by council**

Annual Internal Audit Report 2025/2026: **Yes**

Certificate of Exemption: **Yes**

**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.*

**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: **27/5/2025 (Ref: 3)**

Financial Regulations in place: **Yes**

Reviewed: **27/5/2025 (Ref: 3)**

VAT reclaimed during the year: **Yes**

Registered: **No (VAT126)**

Submission Period:	Amount:
<b>01/04/2024-31/03/2025</b>	<b>£1,261.62</b>

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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.*

## Risk Assessment

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

Risk Assessment document in place: Yes (Internal Audit Plan)

Data Protection registration: Yes Ref: Z9515387

### **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 8/1/2026 – 7/1/2027). There was no evidence found in the minutes that the Risk Assessment was formally reviewed at a full Council meeting during the year of audit.*

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

Statement of Internal Controls in place: No

**Recommendation:** *The Council should tick 'No' in Section 1, Box 5.*

**Recommendation:** *To adopt a Statement of Internal Control.*

*The Council have poor 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: £250,000

*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: <http://boxford.org.uk/>

Privacy Policy published: Yes

Link: [http://boxford.org.uk/wp-content/uploads/2021/03/Policies\\_Procedures\\_March2021.pdf](http://boxford.org.uk/wp-content/uploads/2021/03/Policies_Procedures_March2021.pdf)

IT Policy in place: Not found  
IT Policy published: Not found

*To fully comply with the new requirements it is recommended that the Council consider adopting the model IT policy from NALC (link below). It is noted that whilst there is no requirement to publish the policy on the Council's website, it is good practice to do so.*

<https://www.nalc.gov.uk/resource/nalc-publishes-new-it-policy-template-to-support-parish-and-town-councils-in-meeting-governance-standards.html>

**Recommendation:** *To adopt the NALC model IT Policy.*

Data Protection Policy in place: Not found  
Data Protection Policy published: Not found

**Recommendation:** *To adopt a Data Protection Policy.*

Publication Scheme published: Yes  
Link: [http://boxford.org.uk/wp-content/uploads/2015/03/Boxford\\_PC\\_Freedom\\_of\\_Information\\_Schedule.pdf](http://boxford.org.uk/wp-content/uploads/2015/03/Boxford_PC_Freedom_of_Information_Schedule.pdf)

Accessibility Statement in place: Yes  
Accessibility Statement published: Yes  
Link: [http://boxford.org.uk/wp-content/uploads/2021/03/Policies\\_Procedures\\_March2021.pdf](http://boxford.org.uk/wp-content/uploads/2021/03/Policies_Procedures_March2021.pdf)

Generic Council email addresses for officials in place: Yes

*The Council have not met the requirements of Assertion 10.*

**Recommendation:** *The Council should tick 'No' in Section 1, Box 10.*

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

Notice of period for the exercise of public rights (2025)  
*Published – No*

Notice of Conclusion of Audit (2025)  
*Published – N/A*

Notice for the Period of Exercise of Public Rights:

*The Notice could not be found on the website.*

**Recommendation:** *The Council should tick 'No' in Section 1, Box 4.*

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) or Certificate of Exemption
2020 - 2021	No	No	No
2021 - 2022	No	No	No
2022 - 2023	No	No	No
2023 - 2024	No	No	No
2024 - 2025	No	No	No

*The Council have not met the publication requirements as there was no financial information available on the website.*

***Recommendation:*** *The Council should publish the missing information.*

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

- a) all items of expenditure above £100  
*Published – Yes – contained within the minutes*
- b) annual governance statement (By 1 July)  
*2025 Annual Return, Section One Published – No*
- c) end of year accounts (By 1 July)  
*2025 Annual Return, Section Two Published – No*
- d) internal audit report (By 1 July)  
*2025 Annual Return, Section Four Published – No*
- e) list of councillor or member responsibilities  
*Published – Yes*
- f) the details of public land and building assets (By 1 July)  
*Published – No*
- g) minutes, agendas and meeting papers of formal meetings  
*Published – Minutes – Yes*  
*Published – Agendas - No*

*The Council have yet to meet the requirements of the Transparency Code. Guidance on documents that need to be published can be found at [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/388541/Transparency\\_Code\\_for\\_Smaller\\_Authorities.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/388541/Transparency_Code_for_Smaller_Authorities.pdf)*

***Recommendation:*** *To comply with the requirements of the Transparency Code in accordance with the attached guidance.*

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 - No*

**Budgetary controls**  
supporting documents

Verifying the budgetary process with reference to council minutes and

Precept: £10,400 (2025-2026)

Date: 27/1/2025 (Ref: 10.c)

Precept: £10,400 (2026-2027)

Date: 26/1/2026 (Ref: 11.d)

*Satisfactory 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.*

**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: **475/ZB58419**

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.*

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

<b>Asset control</b>	<p>Inspection of asset register and checks on existence of assets Cross checking on insurance cover</p> <p><i>A separate asset register is in place. Values are recorded at cost value/insurance value. The total value of assets are recorded at £26,808.36. The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR.</i></p>			
<b>Bank Reconciliation</b>	<p>Regularly completed and cash books reconcile with bank statements</p> <p><i>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.</i></p> <p><i>Bank Balances at 31 March were confirmed as:</i></p> <table border="0" style="margin-left: 40px;"> <tr> <td><i>Unity Trust</i></td> <td><i>xxxx0371</i></td> <td><i>£4,607.89</i></td> </tr> </table> <p><i>The Council had no outstanding loans at the year end.</i></p>	<i>Unity Trust</i>	<i>xxxx0371</i>	<i>£4,607.89</i>
<i>Unity Trust</i>	<i>xxxx0371</i>	<i>£4,607.89</i>		
<b>Reserves</b>	<p>General Reserves are reasonable for the activities of the Council Earmarked Reserves are identified</p> <p><i>The Council have adequate general reserves of £4,607.89 (almost 50% of the precept) and no earmarked reserves their year end accounts.</i></p>			
<b>Year-end procedures</b>	<p>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.</p> <p><i>End of year accounts are prepared on a Receipts &amp; Payments basis.</i></p>			
<b>Sole Trustee</b>	<p>The Council has met its responsibilities as a trustee</p> <p><i>The Council is not a sole trustee.</i></p>			
<b>Internal Audit Procedures</b>	<p><i>The 2024-2025 Internal Audit report was considered by the Council at a meeting held on 21/7/2025 (Ref: 10.c) and 27/5/2026 (Ref: 10.d).</i></p> <p><i>There was no evidence found in the minutes that a review of the effectiveness of the Internal Audit was carried out during the year of audit.</i></p> <p><b><i>Recommendation:</i></b> <i>To carry out a review of the effectiveness of the Internal Audit.</i></p> <p><i>There was no evidence in the minutes that Heelis &amp; Lodge were formally appointed as Internal Auditor.</i></p>			

**Recommendation:** *To formally appoint the Internal Auditor and minute the appointment.*

**External Audit**

*The Council formally approved the 2025 AGAR at a meeting of the full Council held on 27/5/2025 (Ref: 10.e).*

*The Council declared themselves Exempt from External audit for the 2024-2025 financial year.*

**Additional Comments/Recommendations**

- The Annual Parish Council meeting was held on 27/5/2025. The first item of business was the Election of Chairman, in accordance with Standing Orders.
- It is a requirement that minutes kept in loose-leaf format are sequentially numbered either by page or minute reference. It is **recommended** that this is carried out.
- Policies on the website are pre 2022 and would benefit from updating. **Recommendation:** To review and update policies, updating the policies on the website.
- 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**  
17 June 2026

# HEELIS&LODGE

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

## INVOICE

**To:**

Boxford Parish Council
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Invoice No: HL9755
Date: 17 June 2026

Details	Quantity	Amount (£)	Total (£)
To carry out Internal Audit for the year ended 31 March 2026 (£15,001 - £25,000 banding)	1	190.00	190.00
Courier (shared between 3 councils)	1	13.33	13.33
Total			203.33

**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

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