

HEELIS & LODGE

Local Council Services • Internal Audit

Internal Audit Report for Marlesford 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: £5,412.65 Expenditure: £3,637.16 Reserves: £4,945.02

2025 AGAR Completion:

Section One: [Not yet completed](#)

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

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

Certificate of Exemption: [Not yet completed](#)

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: [24/5/2024 \(Ref: 7\)](#)

Financial Regulations in place: [Yes](#)

Reviewed: [16/8/2024 \(Ref: 6\)](#)

VAT reclaimed during the year: [No](#)

Registered: [No](#)

General Power of Competence: [No](#)

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

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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: ZA540955

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://marlesford.suffolk.cloud/assets/Policies-and-Documents/MPC-Privacy-Notice.pdf>

Insurance was in place for the year of audit. The Risk Assessment was reviewed at a meeting held on 21/2/2025 (Ref: 6.b).

Statement of Internal Controls in place: Yes (Reviewed 21/2/2025 – 6.a)

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 undertook a review of the Data Protection Risk Assessment on 24/5/2024 (Ref: 7.c) and 21/2/2025 (Ref: 6.c). The Financial Internal Control Policy was reviewed on 21/5/2024 (Ref: 7.d).

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://marlesford.suffolk.cloud/>

- 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

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- 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 own no land or buildings
- 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: [24/5/2024](#) Start Date: [3/6/2024](#) End Date: [12/7/2024](#)

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: £6,477 (2025-2026) Date: 15/11/2024 (Ref: 6.h)
Precept: £5,250 (2024-2025) Date: 17/11/2023 (Ref: 6.c)

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.

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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/HB82818**
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.

The last date of re-declaration of compliance with the Pension Regulator was 21/9/2018.

It is noted that the Council undertook a review of salaries at a meeting held on 15/11/2024 (Ref: 6.g), where the National Pay Award was confirmed.

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 £9,800. 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 Current</i>	<i>xxxx8130</i>	<i>£4,080.77</i>
<i>Barclays Savings</i>	<i>xxxx5609</i>	<i>£864.25</i>

The Council had no outstanding loans at the year end.

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Reserves

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

The Council have adequate general reserves (£3,626.11) and have identified earmarked reserves of £1,318.91 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 24/5/2024 (Ref: 8.c).

Heelis & Lodge were appointed as Internal Auditor at a meeting held on 21/2/2025 (Ref: 8.d).

External Audit

The Council formally approved the 2024 AGAR at a meeting of the full Council held on 24/5/2024 (Ref: 8.d).

The Council declared themselves Exempt from External audit for the 2023-2024 financial year (Ref: 24/5/2024 - 8.c).

Additional Comments/Recommendations

- The Annual Parish Council meeting was held on 24/5/2024. 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
15 May 2025

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INVOICE

To:

Marlesford Parish Council

Invoice No: HL9674
Date: 15 May 2025

Details	Quantity	Amount (£)	Total (£)
To carry year end audit for 2024-2025 Banding up to £5,000	1	85.00	85.00
Total			85.00

Please make cheques payable to: Heelis & Lodge

Terms – 14 days

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

NB Change to bank account details

Thank you.

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