

HEELIS&LODGE

Local Council Services • Internal Audit

Year End Internal Audit Report for Halstead Town 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 and should be read in conjunction with the Interim Internal Audit report dated 20/1/2025. The following recommendations/comments have been made:

Income: £499,806 Expenditure: £471,694 Reserves: £341,330

2025 AGAR Completion:

Section One: [Yes – to be approved by council](#)

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

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

Certificate of Exemption: [No](#)

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: [10/2/2025 \(Ref: 24/166\)](#)

Financial Regulations in place: [Yes](#)

Reviewed: [10/2/2025 \(Ref: 24/170\)](#)

Submission Period:

Amount:

[01/04/2024-30/06/2024](#)

[£1,569.90](#)

[01/07/2024-30/09/2024](#)

[\(£1,314.45\)](#)

[01/10/2024-31/12/2024](#)

[\(£3,253.82\)](#)

[01/01/2025-31/03/2025](#)

[\(£73.28\)](#)

[There were no tenders during the year that exceeded the £30,000 Public Contract Regulations threshold.](#)

[The following documents were reviewed since the Interim Audit:](#)

[13/1/2025](#)

- [• Capability and Conduct Policy \(Ref: 24/149\)](#)
- [• Safeguarding Policy \(Ref: 24/150\)](#)
- [• Sickness and Absence Policy \(Ref: 24/151\)](#)

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10/3/2025

- *Leave from Work Policy (Ref: 24/186)*

Fidelity Cover: £500,000

The level of Fidelity cover is within the recommended guidelines of year end balances plus 50% of the precept for the 2025-2026 financial year.

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: No

Website: <https://www.halsteadtowncouncil.org.uk/>

The Council is not subject to the requirements of the Transparency Code for smaller Councils. The Transparency Code for Councils with a turnover exceeding £200,000 is not covered as part of the Internal Audit.

Under **The Accounts & Audit Regulations 2015 15** councils must publish on their website:

External audit report

2024 Annual Return, Section One Published – Yes

2024 Annual Return, Section Two Published – Yes

2024 Annual Return, Section Three 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: [18/6/2024](#) Start Date: [19/6/2024](#) End Date: [30/7/2024](#)

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: £247,051 (2025-2026) Date: 11/12/2024 (Ref: 24/120.d)

Date: 13/1/2025 (Ref: 24/145)

Precept: Not minuted (2024-2025) Date: 15/1/2024 (Ref: 159.d)

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Effective budgetary procedures are in place. The precept for 2025-2026 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.

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/SH110**
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. A further examination will take place at the year end.

It is noted that the Council undertook a review of salaries at a meeting held on 11/11/2024 (Ref: 24/100.c), where the 2024/2025 pay award was agreed.

Eligible employees have joined the nominated pension scheme.

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 £1,677,210. 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>Nationwide</i>	<i>xxxx3373</i>	<i>£36,463.72</i>
<i>Barclays Business</i>	<i>xxxx7870</i>	<i>£138,254.36</i>
<i>Lloyds Current</i>	<i>xxxx4168</i>	<i>£44,583.04</i>
<i>CCLA Instant Access</i>	<i>xxxx8870</i>	<i>£91,986.30</i>
<i>Lloyds Clerk Account</i>	<i>xxxx5762</i>	<i>£699.58</i>
<i>Cash in Hand</i>		<i>£200.00</i>
<i>Unity Trust</i>	<i>xxxx0104</i>	<i>£40,482.39</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 (£168,836) and have identified earmarked reserves of £172,493.81 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.

Local Council Tax Support Grant is excluded from Box 2: **NA**
Balance Sheet is correct: **Yes**
Trial Balance is correct: **Yes**

Internal Audit Procedures

The 2024-2025 Interim Internal Audit report was considered by the Council at a meeting held on 10/2/2025 (Ref: 24/162.c).

Additional Comments/Recommendations

- 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
8 May 2025

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INVOICE

To:

Halstead Town Council
Queens Hall,
Chipping Hill,
Halstead, Essex,
CO9 2BY.

Invoice No: HL9563

Date: 8 May 2025

Details	Quantity	Amount (£)	Total (£)
To carry out Interim Internal Audit for Halstead Town Council for the year ended 31 March 2025	1	250.00	250.00
Total			250.00

Please make cheques payable to: Heelis & Lodge

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

NB Change to bank account details

Terms – 30 days

Thank you.

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