HEELIS&LODGE

Local Council Services • Internal Audit

Internal Audit Report for Boxted 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: £95,388.89 Expenditure: £103,498.93 Reserves: £65,117.49

2026 AGAR Completion:
Section One: No
Section Two: Yes – to be approved by council
Annual Internal Audit Report 2025/2026: Yes
Certificate of Exemption: N/A

Proper book-keeping

Cash Book and reconciliation of financial transactions in Cash Book with bank statements. Supporting vouchers, invoices and receipts

VAT payments are tracked and identified in the year-end accounts.

The Council hold the General Power of Competence and LGAs137 does not apply.

The cashbook is referenced, providing a clear audit trail. Supporting documentation 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: 11th June 2025 (Ref: 25/93).
Financial Regulations in place: Yes
Reviewed: 11th June 2025 (Ref: 25/93).

VAT reclaimed during the year: Yes Registered: No

General Power of Competence: Yes Adopted: 14th May 2025 (Ref: 25/71).

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 – ZA090205 Expiry 25/01/2027

Data Protection
The General Data Protection Regulations came into force on 25 May 2018. It is likely that this will affect how the Council handles its data. Due to the financial risk associated with the General Data Protection Regulations, the Council has included this in their Risk Assessment.

Insurance was in place for the year of the audit (valid 29/08/2025 to 28/08/2026). The Risk Assessment was reviewed at a full Council meeting held on 11th June 2025 (Ref: 25/94).

Statement of Internal Controls in place: Yes

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.

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: www.boxtedparishcouncil.org.uk

Privacy Policy published: Yes
Link: https://boxtedparishcouncil.org.uk/policy-documents/

IT Policy in place: No

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 (1)*: To adopt the NALC model IT Policy.*

Data Protection Policy in place: Yes
Data Protection Policy published: Yes
Link: https://boxtedparishcouncil.org.uk/policy-documents/

Accessibility Statement in place: Yes
Accessibility Statement published: Yes
Link: https://boxtedparishcouncil.org.uk/accessibility-statement/

Generic Council email addresses for officials in place: Yes

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

Audited AGAR:
2025 Annual Return, Section One Published – Yes
2025 Annual Return, Section Two Published – Yes
2025 Annual Return, Section Three Published – Yes

Notice of period for the exercise of public rights (2025)
*Published – **Yes, but wrong form used.***

Period of Exercise of Public Rights

Publication Date: ????? Start Date: 16/06/2025 End Date: 27/07/2025

Notice of Conclusion of Audit (2025)

Published – Yes

Under the requirements of the **Accounts and Audit Regulations 2015 13(2b)** the council is 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)
2020 - 2021	Yes	Yes	Yes
2021 - 2022	Yes	Yes	Yes
2022 - 2023	Yes	Yes	Yes
2023 - 2024	Yes	Yes	Yes
2024 - 2025	Yes	Yes	Yes

The Council have met the publication requirements.

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

Both income and expenditure of the council exceed £25,000.

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Budgetary controls Verifying the budgetary process with reference to council minutes and supporting documents

Precept: £65,746 (2025-2026) Date: 8th January 2025 (Ref: 25/8)
Precept: £67,373 (2026-2027) Date: 14th January 2026 (Ref: 26/10)

Effective budgetary procedures are in place. The precept was agreed in full council, and the precept decision and amount have 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

Income controls were checked, and a sample of income received and banked was 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 - Moneysoft
Employer's Reference: 245/59976
P60s issued: Yes

The Council continue to operate RTI in accordance with HMRC regulations. 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. The re-declaration of compliance deadline is 29th September 2026.

It is noted that the Council conducted a salary review at meetings held on 10th September 2025 (Ref: 25/118) & 11th March 2026 (Ref: 26/53).

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 insurance value. The total value of assets are recorded at £2,121,365. The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR.

The asset register was reviewed at meeting on 9th July 2025 (Ref: 25/107).

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:

Lloyds Community xxxx5800	*£51,634.25*
Lloyds Community xxxx1368	*£13,001.65*
Caxton FX	*£ 481.59*

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 has adequate general reserves of £65,117

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 a Trustee of the

- *Poor's Land (Camping Close) CC Ref 301259 – Accounts for the year ending 31st March 2025 updated on 13th December 2025*
- *Boxted Village Hall CC Ref 301258 – Accounts for the year ending 31st July 2025 updated on 13th December 2025.*

Internal Audit Procedures

The 2024-2025 Internal Audit report was considered by the Council at a meeting held on 11th June 2025 (Ref: 25/90).

A review of the effectiveness of the Internal Audit was carried out on 11th June 2025 (Ref: 25/90).

Heelis & Lodge were appointed as Internal Auditor at a meeting held on 11th June 2025 (Ref: 25/90).

External Audit

The Council formally approved the 2025 AGAR at a meeting of the full Council held on 11th June 2025 (Ref: 25/90).

The External Auditor's report was considered at a meeting held on 10th September 2025 (Ref: 25/119).

The following matters were brought to the attention of the Council:

The date for Section 1 has been incorrectly recorded on the AGAR. The minutes of the meeting at which the AGAR was approved have been reviewed and demonstrate that Sections 1 and 2 have been approved in the correct order. The smaller authority should ensure that the correct dates are recorded on the AGAR in future.

Additional Comments/Recommendations

- The Annual Parish Council meeting was held on 14th May 2025. 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 of the Council for her assistance during the course of the audit work and for the quality of the Audit file.

Dave Crimmin

Dave Crimmin
Heelis & Lodge
29th May 2026

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INVOICE

To:

Karen Thompson
Boxted Parish Council

Invoice No: HLD2529

Date: 29th May 2026

Details	Quantity	Amount (£)	Total (£)
To carry out Year-end Internal Audit for Boxted Parish Council for the year ended 31 March 2026.	1	350.00	350.00
Total			350.00

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.

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