

# HEELIS&LODGE

## Local Council Services • Internal Audit

### **Internal Audit Report for Haverhill Town 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: £2,319,398.64      Expenditure: £2,380,777.01      Reserves: £598,323.62

#### 2026 AGAR Completion:

Section One: Not yet completed

Section Two: No – Scribe draft figures available

Annual Internal Audit Report 2025/2026: Yes

Certificate of Exemption: No

**Proper book-keeping** Cash Book, regular reconciliation of books and bank statements. Supporting vouchers, invoices and receipts

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

*The cashbook (Scribe) is referenced providing a clear audit trail. Supporting paperwork is in place and well referenced. It is noted that the Council have moved from the Rialtas accounting software to Scribe for the 2025-2026 financial year.*

**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: 28/4/2025 (Ref: 25/053) and 12/5/2025 (C25/067)  
Financial Regulations in place:    Yes  
Reviewed: 28/4/2025 (Ref: 25/053) and 12/5/2025 (C25/067)

VAT reclaimed during the year: Yes  
Registered: Yes    Reg: 759 9415 72

Submission Period:	Amount:
01/04/2025-30/06/2025	£5,985.09
01/07/2025-30/09/2025	(£1,500.53)
01/10/2025-31/12/2025	£1,235.88
01/01/2026-31/03/2026	(£5,223.79)

General Power of Competence: Yes      Adopted: 15/5/2023  
Minute Ref: C23/073

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

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

24/11/2025

- *Grants Policy – Ref: C25/158.d*

30/6/2025

- *Asset Register – Ref: C25/084.c.4*
- *Committee and Working Party Terms of Reference – Ref: C25/088*

## **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: Z5642015

### **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 21/11/2025 – 20/11/2026). The Risk Assessment was reviewed at a full Council meeting held on 30/6/2025 (Ref: 25/084.c.4).*

Statement of Internal Controls in place: Yes – reviewed 30/6/2025 (Ref: C25/084.b)

*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:      £2,000,000

*The level of Fidelity cover is within the recommended guidelines of year end balances plus 50% of the precept.*

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## Transparency

### Compliance with **Assertion 10**:

Website link: <https://haverhill-tc.gov.uk>

Privacy Policy published: Yes

Link: <https://haverhill-tc.gov.uk/wp-content/uploads/Policy-Privacy-2018-06.pdf>

IT Policy in place: Yes - draft

IT Policy published: No

*It is noted that the IT Policy is due to be adopted at the April full Council meeting.*

Data Protection Policy in place: Yes

Data Protection Policy published: Yes

Link: <https://haverhill-tc.gov.uk/wp-content/uploads/Policy-Data-Protection-Policy-2023.pdf>

Accessibility Statement in place: Yes

Accessibility Statement published: Yes

Link: <https://haverhill-tc.gov.uk/accessibility-statement-for-haverhill-town-council/>

Generic Council email addresses for officials in place: Yes

*It is noted that all senior staff, relevant councillors and other employees have attended training on GDPR, and key staff have had follow-up meetings to map the data the Council hold.*

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*

*<https://haverhill-tc.gov.uk/wp-content/uploads/Notice-for-the-provision-for-the-exercise-of-public-rights-2024-25-2025-06.pdf>*

Notice of Conclusion of Audit (2025)

*Published – Yes*

*<https://haverhill-tc.gov.uk/wp-content/uploads/Notice-of-conclusion-of-Audit-2025.pdf>*

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## Period of Exercise of Public Rights

Publication Date: 23/6/2025 Start Date: 1/7/2025 End Date: 11/8/2025

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)
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 over £200,000 should publish on their website from 1 April 2015:

Expenditure items over £500 (quarterly) published: Yes

Link: [https://haverhill-tc.gov.uk/budget-and-audit/#elementor-toc\\_\\_heading-anchor-2](https://haverhill-tc.gov.uk/budget-and-audit/#elementor-toc__heading-anchor-2)

Procurement data published (contracts exceeding £5,000): NA

Grants awarded to voluntary, community or external bodies published: Yes

Link: <https://haverhill-tc.gov.uk/grant-applications/>

Senior salaries (over £50,000) published: Yes

Link: <https://haverhill-tc.gov.uk/wp-content/uploads/Pay-declaration-50000.pdf>

Land and car parks published: NA

Publication Scheme published: Yes

Link: <https://haverhill-tc.gov.uk/wp-content/uploads/Freedom-of-Information-Schedule-2025.pdf>

*The Council have met the requirements of the Transparency Code for smaller councils with income/expenditure exceeding £200,000.*

## **Budgetary controls** supporting documents

Verifying the budgetary process with reference to council minutes and

Precept: £1,561,364 (2025-2026) Date: 28/1/2025 (Ref: C25/011.c)

Precept: £1,618,023 (2026-2027) Date: 27/1/2026 (Ref: C26/009.b)

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*Effective 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

*A satisfactory system is in place and supporting paperwork in place for cash payments. Audit trails were carried out on a sample of transactions from April 2025 to March 2026 and no irregularities were found.*

**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/SH277  
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. A sample of payroll transactions were examined and no irregularities were found.*

*Eligible employees have joined the nominated pension scheme. The last date of re-declaration of compliance was 8/8/2024.*

*It is noted that the National Pay Award has been put in place.*

**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 for the AGAR. The total value of assets are recorded at £985,203.18. The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR.*

*Included in the asset register is the long term CCLA investment (Property Fund).*

**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>Business Current</i>	<i>xxxx3992</i>	<i>£31,769.83</i>
<i>30 Day Deposit</i>	<i>xxxx4416</i>	<i>£75,652.95</i>
<i>Lloyds Treasury 32 Day</i>	<i>xxxxSYLN</i>	<i>£554,890.57</i>
<i>Cardnet account</i>		<i>£0.00</i>
<i>Petty Cash - Zone</i>		<i>£223.00</i>
<i>Petty Cash - HAC</i>		<i>£185.49</i>
<i>One Haverhill Partnership</i>	<i>xxxx3368</i>	<i>£6,910.47</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 general reserves (£347,337.18) and have identified earmarked reserves of £945,660.80 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.*

Balance Sheet is correct: Yes  
Trial Balance is correct: Yes

**Sole Trustee** The Council has met its responsibilities as a trustee

*The Council is a sole trustee of the Haverhill Community Trust. The Independent Examination of the Trust does not form part of this Internal Audit report.*

*Total Income £340,250*  
*Total Expenditure £331,044*

*Income: £340,250 which included £243,210 from 3 local government grants*  
*Expenditure: 331,044*

Charity Number: 288092

*The last annual submission was the 2025 accounts on 21/1/2026.*

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**Internal Audit  
Procedures**

*The 2024-2025 Internal Audit report was considered by the Council at a meeting held on 30/6/2025 (Ref: C25/084.b).*

*A review of the effectiveness of the Internal Audit was carried out on 12/5/2025 (Ref: C25/068) and 30/6/2025 (Ref: C25/084.b).*

*Heelis & Lodge were appointed as Internal Auditor at a meeting held on 12/5/2025 (Ref: C25/069).*

**External Audit**

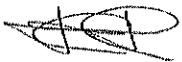
*The Council formally approved the 2025 AGAR at a meeting of the full Council held on 30/6/2025 (Ref: C25/084.c).*

*The External Auditor's report was considered at a meeting held on 17/10/2025 (Ref: C25/141).*

*There were no matters arising from the External Audit.  
<https://haverhill-tc.gov.uk/wp-content/uploads/SF0185-S3-1.pdf>*

**Additional Comments/Recommendations**

- The Annual Town Council meeting was held on 12/5/2025. The first item of business was the Election of Chairman, in accordance with Standing Orders.
- I would like to take this opportunity to commend the Council on its ongoing commitment to services to the community.
- 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**  
27 April 2026

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