HEELIS&LODGE

Local Council Services • Internal Audit

Internal Audit Report for Broomfield 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: £246,000 Expenditure: £252,142 Reserves: £251,924

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: No

Proper book-keeping

Cash Book, regular reconciliation of books and bank statements. Supporting vouchers, invoices and receipts

All were found to be in order. The Council hold the General Power of Competence and LGAs137 does not apply. The cashbook is referenced providing a clear audit trail. Supporting paperwork is in place and well referenced. It is noted that the Council use the Rialtas accounting software.

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: 8/5/2024 (Ref: 24/16)
Financial Regulations in place: Yes
Reviewed: 8/5/2024 (Ref: 24/17)

***Recommendation**: When next reviewing Standing Orders, to update SO18.c to reflect the 2024 Public Contract Regulations.*

***Recommendation**: When next reviewing Financial Regulations, to update FR11.1.b to reflect the 2024 Public Contract Regulations.*

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VAT reclaimed during the year: Yes
Registered: No

Submission Period:	Amount:
01/04/2024-31/12/2024	*£10,819.60*
01/01/2025-31/01/2025	*£4,289.43*

General Power of Competence: Yes Adopted: 17/5/2023 (Ref: 23/20).

Policy Review Schedule in place: Yes

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

The Council signed the Civility and Respect Pledge at a meeting held on 10/4/2024 (Ref: 23/257).

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

10/7/2024

- *Safeguarding Policy (Ref: 24/73)*
- *Freedom of Information Act Policy (Ref: 24/74)*
- *Lone Worker Policy (Ref: 24/75)*

13/6/2024

- *Risk Management (24/49)*
- *Internal Control Strategy (24/48)*

8/5/2024

- *Committee Terms of Reference (Ref: 24/14)*
- *Complaints Policy (Ref: 24/25)*
- *Freedom of Information Policy (Ref: 24/26)*
- *Social Media Policy (Ref: 24/27)*
- *Equal Opportunities Policy (Ref: 24/28)*
- *GDPR Policy (Ref: 24/29)*
- *Recruitment Policy (Ref: 24/30)*

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: Z2217969

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://www.broomfield-pc.gov.uk/wp-content/uploads/2024/05/GDPR-privacy-notice-May-2018.pdf

Insurance was in place for the year of audit (valid continuously from 1/6/2025), with a review being undertaken at a meeting held on 8/5/2024 (Ref: 24/21). The Risk Assessment was reviewed at a meeting held on 13/6/2024 (Ref: 24/49).

Statement of Internal Controls in place: Yes
Reviewed: 13/6/2024 (Ref: 24/48)

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.

Bank signatories were reviewed and approved at the Annual meeting of the Council on 8/5/2024 (Ref: 24/33).

Fidelity Cover: £250,000

The Council have reviewed the level of Fidelity cover and deemed it sufficient given the adequacy of internal controls that are in place.

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.broomfield-pc.gov.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

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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: 13/6/2024 Start Date: 14/6/2024 End Date: 25/7/2024

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:	£228,478 (2025-2026)	Date:	11/12/2024 (Ref: 24/163)
Precept:	£222,000 (2024-2025)	Date:	20/12/2023 (Ref: 23/164)

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.

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: 083/CH883
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. An examination was undertaken on a sample of payroll records from April 2024 – March 2025 and no irregularities were found.

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, with a review being undertaken at a meeting held on 8/5/2024 (Ref: 24/19). Values are recorded at cost value/insurance value. The total value of assets are recorded at £206,476.33. 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:

NS&I	*xxxx9402*	*£0*	
Unity Trust	*xxxx7863*	*£6,868.14*	
CCLA - PSDF	*xxxx01PC*	*£156,000.00*	
Cambridge	*xxxx4213*	*£85,000.00*	*(1 year bond)*
Lloyds Credit		*(£nil)*	

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 (£141,427) and have identified earmarked reserves of £110.497 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

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Sole Trustee	The Council has met its responsibilities as a trustee *The Council is a Trustee of the Broomfield Village Hall. A separate examination of the Charity has taken place.* Charity Number: 301266 *The last annual submission of the accounts was 12/12/2024.* *Income: £124,191* *Expenditure: £131,898*
Internal Audit Procedures	*The 2024 Internal Audit report was considered by the Council at a meeting held on 8/5/2024 (Ref: 24/20).* *Heelis & Lodge were appointed as Internal Auditor at a meeting held on 12/3/2025 (Ref: 24/215).*
External Audit	*The Council formally approved the 2024 AGAR at a meeting of the full Council held on 13/6/2024 (Ref: 24/50).* *The 2022-2023 External Auditor's report was considered at a meeting held on 8/5/2025 (Ref: 24/32)* *The 2023-2024 External Auditor's report was considered at a meeting held on 9/10/2024 (Ref: 24/122).* *There were no matters of significance arising from the External Audit.*

Additional Comments/Recommendations

- The Annual Parish Council meeting was held on 8/5/2024. 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.

HHeelis

Heather Heelis
Heelis & Lodge
20 May 2025

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www.heelisandlodge.co.uk

INVOICE

To:

Broomfield Parish Council
Broomfield Village Hall
158 Main Road
Broomfield
Essex
CM1 7AH

Invoice No: HL9577

Date: 20 May 2025

Details	Quantity	Amount (£)	Total (£)
To carry out Internal Audit for the year ended 31 March 2025 £200,001 - £300,000 banding	1	400.00	400.00
Total			400.00

Please make cheques payable to: Heelis & Lodge

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

NB Change to bank account details

Terms – 14 days

Thank you.

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