

# Internal Audit Report

(to be read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return)

Name of council:	Little Addington Parish Council		
Name of Internal Auditor:	Kate Houlihan	Date of report:	15 May 2024
Year ending:	31 March 2024	Date audit carried out:	22 April 2024

*Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the council through its staff and management and not left for internal audit. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council in order to detect error or fraud. This report is based on the evidence made available to me and consequently the report is limited to those matters set out below.*

**The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.**

## To the Chairman of the Council:

The audit took place on 22nd April 2024, and I would like to thank Claire for her time during our audit meeting and for supplying me with documents before and after our audit meeting.

To complete the audit, I:

- Reviewed documents supplied by the Clerk.
- Reviewed information available on <https://littleaddingtonparishcouncil.com/>
- Reviewed a copy of the council's cashbook.
- Met with the Clerk on 22 April 2024.

I have tested each of the Internal Control objectives detailed in the Annual Internal Audit Report (AIAR) which forms part of the Annual Governance and Accountability Return (AGAR). [The Practioners Guide](#) details the types of checks that Internal Auditors should carry out in order to meet the requirements of the AIAR. I would particularly draw the council's attention to the following points:

I am happy to confirm that appropriate accounting records have been kept and accounting statements are supported by underlying records.

During the audit I noted the following:

Whilst the budget and precept for the 2023-2024 financial year were discussed and agreed at a meeting in December 2022, the council did not minute the level of precept agreed. The budget is not included in the minutes of the meeting nor available on the website. I have therefore answered no to assertion D on the AIAR. The level of precept agreed must be clear in the minutes and the budget should be readily available to residents.

The Council is the sole trustee of charity number 273346 "Reading Room Fund", and I noted that the return to the charity commission was overdue at the time of the audit. I therefore answered no to assertion O on the AIAR.

Asides from the points above I am satisfied that effective policies and procedures together with systems to manage, monitor and control the Council's business are in place. Based on the evidence provided to me I have completed and signed the Annual Internal Audit Report accordingly.

The following points are raised to further support the council.

The domain name for Little Addington Parish Council website is <https://littleaddingtonparishcouncil.com/> and the council use a yahoo email address, the council may want to consider moving to a .gov email and domain name which is in line with best practice. Funding and Support is currently available to help with this, further information can be found [here](#).

During my review I noted that Little Addington Parish Council do not display members Registers of Interests (ROI) on their website, but rather link to the North Northamptonshire Council (NNC) website. This is permitted. However, the ROI displayed on NNC's website, are out of date. The council should ensure that the NNC have the correct information on council membership and that all members have completed their Register of Interests. It is good practice for these to be reviewed annually.

The council should review their Financial Regulations, as the current document isn't the correct model. The National Association of Local Councils have issued a new model document and I know the Clerk will be bringing this to council for consideration.

The council should consider their internal controls around payment of invoices and salaries and consider if dual authority would be appropriate. This should be documented through the council's risk assessment.

Please don't hesitate to contact me if you have any questions.

Yours sincerely,

**K Houlihan**

Kate Houlihan  
Internal Auditor.

The figures submitted in the Annual Governance and Accountability Return are:

	<b>Year ending 31 March 2023</b>	<b>Year ending 31 March 2024</b>
1. Balances brought forward	14,288	23,478
2. Annual precept	14,470	14,470
3. Total other receipts	7,343	2,066
4. Staff costs	3,024	5,322
5. Loan interest/capital repayments	942	942
6. Total other payments	8,657	11,311
7. Balances carried forward	23,478	22,439
8. Total cash and investments	23,478	22,439
9. Total fixed assets and long-term assets	35,273	34,731
10. Total borrowings	4,883	4,035

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2023)*. It is a guide to the accounting practices to be followed by local councils and it sets out the appropriate standard of financial reporting to be followed. A copy of the guide is available for free download from:

<https://www.northantscalc.com/practitioners-guide-2023>.