

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:	07/05/2025
Year ending:	31 March 2025	Date audit carried out:	29/04/2025

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 Chair of the Council:

The audit took place on 29 April 2025, 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. I know Claire is retiring from her post shortly and I would like to take this opportunity to wish her well for the future.

To complete the audit, I:

- Reviewed documents supplied by the Clerk.
- Reviewed information available on [Little Addington Parish Council – The Parish Council's Notice Board](#)
- Reviewed a copy of the council's cashbook.
- Met with the Clerk on 29 April 2025.

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 Practitioners Guide outlines the types of checks that Internal Auditors should perform to meet the AIAR requirements. I am pleased to confirm that appropriate accounting records have been maintained and accounting statements are supported by underlying records.

The Council is the sole trustee of charity number 273346 "Reading Room Fund," and the most recent annual return was filed with the Charity Commission on time. However, funds for the Reading Room are held by the council, not in a separate bank account. (The funds are not

included in the AGAR) The council, in its capacity as sole trustee, should ensure that the charity has its own bank account. I have therefore answered NO to assertion O on the AIAR. The Practioners guide gives further advice on this matter.

The budget and precept were discussed at a meeting in November 2023, and the precept figure is clearly minuted. However, there is a regulatory requirement that a budget is agreed upon before setting a precept. The minutes could be structured to make this clearer, with separate items for agreeing on the budget and then the precept.

The council has moved to a .gov email address during the course of the year and a new website with a .gov domain will be launched shortly.

During the audit, I examined the audit trail for a sample of transactions during the financial year. The audit trail was clear. The year-end bank reconciliation was reviewed and matched to the bank statements. The asset register was reviewed and reconciled. The council's risk management, risk assessment, and insurance cover were considered in July 2024. Standing Orders and Financial Regulations were reviewed in June 2024. All items related to the 2023-2024 audit had been published on the council's website. I reviewed the Clerks payslip for January 2025, the correct PayScale and hours were used and appropriate deductions for tax were made.

I am satisfied that effective policies and procedures, along with systems to manage, monitor, and control the council's business, are in place. Accordingly, I was able to answer 'yes' to all relevant questions and identify areas that are not applicable to the council.

This report is based on the evidence made available to me. It would be incorrect to view internal audit as a detailed inspection of all records and transactions of a council to detect error or fraud.

Yours sincerely,

Kate Houlihan

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

	Year ending 31 March 2024	Year ending 31 March 2025
1. Balances brought forward	23,478	22,439
2. Annual precept	14,470	16,095
3. Total other receipts	2,066	9,652
4. Staff costs	5,322	4,188
5. Loan interest/capital repayments	942	942
6. Total other payments	11,311	11,085
7. Balances carried forward	22,439	31,971
8. Total cash and investments	22,439	31,971
9. Total fixed assets and long-term assets		
10. Total borrowings	4,035	3,169

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2024)*. 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://northantscalculator.gov.uk/practitioners-guide>.