

REPORT FOR LITTLE HOOLE PARISH COUNCIL

INTERNAL AUDIT REPORT FOR 2025-26

Auditor: Helen Broughton

BASIS OF REPORT

This internal audit report has been prepared with reference to the *Governance and Accountability for Smaller Authorities in England (2023) Practitioners' Guide*, issued by the Joint Panel on Accountability and Governance.

The audit has focused on reviewing the effectiveness of the Council's internal controls, as outlined in the original Letter of Engagement. Where opportunities for strengthening controls have been identified, these are intended to support continued improvement in the Council's processes.

Internal audit is conducted in line with the Accounts and Audit Regulations and aims to provide an independent, objective review carried out with due professional care, integrity, and independence. It is important to note that internal audit is not designed to check every transaction, but rather to provide assurance on the adequacy of systems and controls, helping the Council operate effectively and efficiently. Day-to-day responsibility for internal controls remains with the Council and its officers.

REPORT

I reviewed the Council's minutes and supporting documentation provided by the Clerk, Paul Cafferkey, on Tuesday 5th May 2026, and met with the Clerk via Zoom.

In advance of our meeting, I carried out a detailed review of the Council's website, including all agendas and minutes, as well as the documents shared via OneDrive. I would like to place on record my thanks to the Clerk for presenting information in such a clear, organised, and accessible manner. This made the audit process efficient and reflects very positively on the Council's administration.

Accounting records have been well maintained throughout the year. Bank reconciliations were completed regularly and appropriately signed and dated by a councillor. Sample testing of invoices against bank statements and the cashbook confirmed accuracy, including correct VAT treatment, with no issues identified.

The Council has considered risk and maintains appropriate arrangements to manage these. While the renewal of insurance was clearly minuted, it would strengthen governance further if the full insurance policy is formally reviewed and approved by the Council annually.

The precept setting process was clear, and properly approved and recorded. Budget monitoring throughout the year has been strong, with regular and effective review of expenditure at meetings.

The Council does not manage allotments, burial grounds, or hire out premises. Other income streams were correctly recorded.

No cash payments are made, which is good practice.

The Clerk's salary was appropriately approved by the Council and recorded in the minutes.

The asset register is well maintained, formally approved by the Council, and appropriately minuted.

Accounting statements were prepared on the correct receipts and payments basis and reconcile with the cashbook, supported by a clear audit trail.

The Council has published most of the required information on its website. However, the External Auditor Report and Certificate were not available at the time of review, meaning I am unable to give a positive assertion for this area. This is a minor omission in the context of otherwise strong compliance.

Standing Orders, Financial Regulations and the Code of Conduct have been reviewed during the year and these along with other policies are available on the website.

The period for the exercise of public rights was correctly provided for, and I was pleased to see that the relevant dates were clearly minuted.

OTHER MATTERS

I note that the minutes refer to approving "the AGAR." For clarity and compliance with the Accounts and Audit Regulations 2015 (Regulation 6), the Annual Governance Statement should be considered and approved first, followed by the Accounting Statements.

CONCLUSION

Overall, I am pleased to report that, based on the information reviewed, the Council's internal control arrangements are operating effectively and to a standard appropriate for its size and activities. With the exception of Objective L and N, all control objectives have been met.

I would like to thank the Clerk again for his cooperation and the high standard of record-keeping, which made the audit process smooth and efficient. The Council is clearly well supported, and the work undertaken throughout the year is commendable.

Helen Broughton, PiALC, CiLCA, PSLCC

Internal Auditor to the Council

5th May 2026

