

Internal Audit Report

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

Name of council:	Lilford-cum-Wigsthorpe and Achurch Parish Council		
Name of Internal Auditor:	Helen Hoier	Date of report:	05/05/2026
Year ending:	31 March 2026	Date audit carried out:	10/04/2026

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:

I met with Nicki Phillips (Clerk/RFO) on 10 April 2026 via Zoom to carry out the year-end audit of the Council. Upon examination of bookkeeping, due process, risk management, budget, payroll, asset control, bank reconciliations and year-end procedures; it is clear that every effort is made to ensure that the Council acts lawfully, transparently and in accordance with proper practices. Regrettably, the Council was not able to achieve one of the internal control objectives to an adequate standard during 2025/26. I am satisfied that this is an oversight and that any issues raised in my report as a result are being addressed.

The Council has a turnover of under £25,000 and is therefore obliged to comply with the Transparency Code by publishing its financial and governance documents on its website. The Council is not currently eligible to use the General Power of Competence and as such understands that it must ensure it spends within its legal powers (particularly Section 137 under which there was an item of expenditure in 2025/26).

Issues raised in 2024/25:

- Ensuring that the Council’s internal controls and financial procedures with regards to accountability, governance and transparency are as effective as possible for which suggestions included:
 - Replenishing the current level of reserves for which the recommendation is up to twelve months of net revenue expenditure (paragraphs 5.33 to 5.35 of Practitioners’ Guide 2025 refer).
 - Approving the use of a gov.uk or similar authority owned domain to host a generic e-mail account as this will comply with Assertion 10 – Digital and data compliance (previously covered by Assertion 3) which is to appear on the 2025-26 AGAR with its provisions applying from 1 April 2025 (paragraph 1.47 of Practitioners’ Guide 2025 refers).

Issues raised in 2025/26:

- The Council certified itself as exempt from a limited assurance review in 2024/25 and published almost all of its financial data accordingly. However, the asset register was approved on 22 May 2025 but appears to have been published after the 1 July 2025 deadline. As the Council has not complied fully with publication requirements, I am required to respond 'no' to internal control objectives L and N.
- The Council has completed the transfer to an authority owned domain hosting a generic e-mail account and an accessibility statement along with an IT policy are included on its website. However, the generic e-mail address was not used until October 2025 and the website accessibility has not been tested since 2023. As the Council has not complied fully with legislation and best practice relating to digital and data compliance, I am required to respond 'no' to internal control objective O.
- It is evident from governing documents and when speaking with the Clerk/RFO that the Council is fully aware of its responsibilities regarding public finances, especially accountability, governance and transparency. However, these internal controls and processes could be even more effective by ensuring the following:
 - Continuing to replenish the Council's reserves for which the recommendation is up to twelve months of net revenue expenditure (paragraphs 5.33 to 5.35 of Practitioners' Guide 2026 refer).
 - Monitoring continually the Council's website to ensure content and links are current in compliance with the latest legislation and/or recommended best practice.

Other than the above matters, the Council appears to be performing well, with its business affairs managed properly by a very competent Clerk/RFO and committed Council members.

Yours sincerely



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

	Year ending 31 March 2025 £	Year ending 31 March 2026 £
1. Balances brought forward	6,117	5,872
2. Annual precept	6,830	7,190
3. Total other receipts	5,276	1,267
4. Staff costs	3,685	3,788
5. Loan interest/capital repayments	0	0
6. Total other payments	8,666	6,540
7. Balances carried forward	5,872	4,001
8. Total cash and investments	5,872	4,001
9. Total fixed assets and long-term assets	15,616	15,616
10. Total borrowings	0	0

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England – The Practitioner’s Guide*). 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://northantscalc.gov.uk/practitioners-guide>.