

## **LAVERSTOCK & FORD PARISH COUNCIL**

### **Report for Agenda Item PC26.064 Approval of Internal Audit Report**

**Subject:** Internal Audit Report 2025-2026.  
**Date:** 15<sup>th</sup> May 2026  
**Author:** Andrew Prince, RFO

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#### **1. Report Summary.**

- 1.1 An interim Internal Audit of Laverstock and Ford Parish Council was conducted by IAC Audit and Consultancy Ltd on 4<sup>th</sup> March 2026 and completed on 4<sup>th</sup> May 2026 using information supplied by the RFO and online information from the Council's website and Scribe Accounts. This report presents the signed copy of the Internal Audit Report that forms page 3 of the Council's Annual Governance and Accountability Return 2025/26.

#### **2. Background.**

- 2.1 The Council is required to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes by the Accounts and Audit Regulations 2015.
- 2.2 The Smaller Authorities Proper Practices Panel (SAPPP) Practitioners' Guide includes guidance on the appointment of an Internal Auditor and on the conduct of an internal audit.
- 2.3 The Council has appointed IAC Audit & Consultancy Ltd to carry out an internal audit for the year 2025/26.

#### **3. Internal Audit Report and Control Objectives.**

- 3.1 The signed Internal Audit Report is attached at Annex A to this report. It contains sixteen control objectives. The internal auditor has given a positive response (Yes) to thirteen of those objectives, and 'Not applicable' to a further three objectives.
- 3.2 The Internal Auditor has written to explain the reasons for items not covered. The letter is attached at Annex B.

#### **4. Recommendation.**

- 4.1 That the Council approve the Annual Internal Report 2025/26 for inclusion in the Annual Governance and Accountability Return 2025/26.

# Annual Internal Audit Report 2025/26

## Laverstock and Ford Parish Council

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During the financial year ended 31 March 2026, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2025/26 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
	A. Appropriate accounting records have been properly kept throughout the financial year.	Yes	
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	Yes		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Yes		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	Yes		
F. Cash payments were properly supported by receipts, all cash expenditure was approved and VAT appropriately accounted for.			N/A
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	Yes		
H. Asset and investments registers were complete and accurate and properly maintained.	Yes		
I. Periodic bank account reconciliations were properly carried out during the year.	Yes		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	Yes		
K. If the authority certified itself as exempt from a limited assurance review in 2024/25, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2024/25 AGAR tick "not covered")</i>			N/A
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	Yes		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(during the 2025/26 AGAR period, were public rights in relation to the 2024-25 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).</i>	Yes		
N. The authority has complied with the publication requirements for 2024/25 AGAR <i>(see AGAR Page 1 Guidance Notes).</i>	Yes		
O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.	Yes		
P. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			N/A

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

27/05/2025 04/03/2026

Kevin Rose ACMA- IAC Audit & Consultancy Ltd

Signature of person who carried out the internal audit

SIGNATURE

Date

04/05/2026

\*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\*Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Jon Sloan  
Parish Clerk  
Laverstock and Ford Parish Council  
3 Pilgrims Way  
Laverstock  
SP1 1RZ

4th May 2026

Dear Jon,

## **Year End Internal Audit Report**

An audit was carried out by Kevin Rose on Monday 4 May 2026. This was the Year End audit following on from the interim audit carried out on 4 March 2026.

The audit was undertaken using the standard IAC Audit Checklist, which we use for all Local Councils, which has 210 items. A total of 76 items were tested during this audit in addition to the 134 items tested and checked during the interim audit process. All items on the checklists were tested during the year.

The following 'Internal Control Objectives' of the Annual Internal Audit Report (part of the AGAR) were checked and confirmed as being Not Applicable to your Council for this financial year.

- Petty cash (Box F)
- Exemption from External Audit (Box K)
- Trust Funds (Box P)

*(Please refer to the explanation of my 'Not Covered' responses on Page 3)*

### **Areas subject to audit were;**

- the Payment system (Box B)
- Risk and insurance (Box C)
- Budget and precept setting and monitoring (Box D)
- Payroll(Box G)
- Assets and investments (Box H)
- Bank reconciliations (Box I)
- Accounting Statements (Box J)
- the Transparency Code (for Smaller Authorities) (Box L)

### **Summary of tests undertaken during this audit**

Positive response	28
Negative response	-
Not Applicable to your Council	48
Total tests carried out	<b><u>76</u></b>

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Of the 48 applicable items tested a Positive response was obtained in respect of 28 tests. I am pleased to confirm that there were no Negative responses.

**Summary of tests undertaken for the financial year (including interim audit work)**

Positive response	139
Negative response	2
Not Applicable to your Council	69
Total tests carried out	<b><u>210</u></b>
Tests not carried out	Nil

I am pleased to advise that no 'Non-Compliances' were identified that would give rise to a negative response on the statutory Annual Internal Audit Report.

Based on the audit testing carried out I am satisfied that the Council's internal councils were effective for the 2025/26 financial year.

I would like to express my thanks for the assistance provided to me during my audit.

Yours sincerely,



Kevin Rose ACMA  
Director

**Internal Audit 'Not Covered' Responses**

Internal Control Objective	Reason for Not Covered Response
F: Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	The reason for the Not Covered response for Objective F is that we understand that your Council does not maintain a Petty Cash. (Note: Where cash is held as a cash float, solely for the purpose of providing change, this is covered in our response to Internal Control Objective I)
K: If the authority certified itself as exempt from a limited assurance review in 2024/25, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2024/25 AGAR tick “not covered”	The reason for the “Not Covered” response for Objective K is that it is not applicable to your Council as the Council did not certify itself exempt from a limited assurance review for the relevant financial year.
P: (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee	The reason for the Not Covered response for Objective P as it is our understanding that the Council does not act as Trustee.