

Internal Audit Report

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

Name of council:	Cosgrove Parish Council		
Name of Internal Auditor:	Kate Houlihan	Date of report:	11 April 2025
Year ending:	31 March 2025	Date audit carried out:	08 April 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:

I completed the year-end audit for Cosgrove Parish Council on 8 April 2025. I would take this opportunity to thank Jenny Evans, the Clerk, for her help and assistance.

To complete the audit, I:

- Reviewed documents supplied by the Clerk, both prior to and following the audit meeting.
- Reviewed information available on [Parish Council - Cosgrove Village - Cosgrove Village, Cosgrove, Milton Keynes](#)
- Met with the Clerk on 8 April 2025.

The Clerk is currently working on her CiLCA qualification and is aiming to complete it before the summer. This is a significant achievement, and she should be congratulated on the progress made so far.

The recommendations raised in the previous year's report have been addressed:

- Cemetery fees are now reviewed annually.
- The budget for 2024-2025 was considered during a public meeting, and the precept was set accordingly.

By reviewing all the information available, I accessed a well-ordered and detailed set of documents and records. By examining these documents and records, plus further questioning,

I tested aspects of the council's internal controls as required for the Internal Audit section of the Annual Return Form 3.

I examined the audit trail for a sample of transactions during the financial year. The audit trail was clear. All entries on the council's bank statements for November and December were reconciled with the cashbook. The year-end bank reconciliation was reviewed and matched to the bank statements. Additionally, the asset register was reviewed, and new entries were verified against the cashbook. I reviewed the Clerk's payslip for August; the correct hourly rate was used, and deductions for Income Tax and Employee NIC were correct.

The points raised in this report are intended to further support the council's efforts in meeting statutory requirements and best practice guidelines.

Not all documents were available on the council's website at the time of the audit. Not all agendas for past meetings were available, and whilst the council adopted revised model financial regulations in June 2024, these were not on the council's website. It would be helpful if past agendas and all policies were available.

Discussions on the Clerk's salary have taken place with the public present. While the Clerk has no objection to this, the council should be cautious not to discuss confidential information with public present. The Clerk appears to be being paid for holidays in lieu of taking time off. I would refer the council to guidance available on [Holiday entitlement: Holiday pay - GOV.UK](#) to ensure compliance.

The council should ensure that decisions are not made under the Clerk's report or during the public session. Items requiring a decision should have a separate agenda item and, if necessary, be brought to a future meeting for decision.

While the Clerk completed the review of the council's risk assessment in March, it wasn't approved until the council met on April 2, 2025. Therefore, I have answered NO to assertion C on the Annual Internal Audit Form.

The council does not appear to have formally reviewed the External Auditors report for the year ending 31 March 2024, although it was circulated to members. All reports from Internal and External auditors should be reviewed by the council. The council will need to be mindful of this when answering assertion 7 in the Annual Governance Statement.

I am satisfied that effective policies and procedures, together with systems to manage, monitor, and control the council's business, are in place. Accordingly, I was able to answer 'yes' to all other 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 the detailed inspection of all records and transactions of a council in order 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	67,301	53,583
2. Annual precept	25,000	25,000
3. Total other receipts	8,177	7,208
4. Staff costs	11,300	7,740
5. Loan interest/capital repayments	0	0
6. Total other payments	35,595	29,348
7. Balances carried forward	53,583	48,703
8. Total cash and investments	53,583	48,703
9. Total fixed assets and long-term assets	58,181	58,351
10. Total borrowings	-	-

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://northantscalc.gov.uk/practitioners-guide>.