Annual Internal Audit Report 2025/26

Holt Town Council

www.holttowncouncil.gov.uk

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.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Cash payments were properly supported by receipts, all cash expenditure was approved and VAT appropriately accounted for.	✓		
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.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
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.	✓		
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")*	✓		
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.	✓		
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 *(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).*	✓ ✓		
N. The authority has complied with the publication requirements for 2024/25 AGAR *(see AGAR Page 1 Guidance Notes).*	✓		
O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.	✓		

	Yes	No	Not applicable
P. **(For local councils only)** Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

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: 06/11/2025 29/04/2026 DD/MM/YYYY

Name of person who carried out the internal audit: DAVID WRIGHT

Signature of person who carried out the internal audit: D Wright

Date: 29/04/2026

***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).

INTERNAL AUDIT SERVICE FOR HOLT TOWN COUNCIL

AUDIT PROGRAMME – 2025/26 (these will be the checks undertaken during the year.)

Six Monthly Review

I certify that I have carried out the tests detailed below in accordance with the suggested approach contained in the 'Governance and Accountability for Smaller Authorities in England – Practitioners Guide 2021' and in accordance with the Accounts & Audit Regulations. Where an entry has been made in column 4 the supporting Working Papers are attached if applicable.

Signed....David Wright....**Date**....29 April 2026....

1 Internal Control	2 Tests	3 Initial if Yes	4 Comments
Previous Internal Audit Report	Do the minutes record that Council has considered the Internal Audit Report for the previous year and the matters arising addressed?	DW	
Proper bookkeeping	Is the cashbook maintained and up to date?	DW	
	Is the cashbook arithmetically correct?	DW	
	Is the cashbook regularly balanced?	DW	
Standing Orders and Financial Regulations	Has the Council formally adopted Standing Orders and Financial Regulations?	DW	
	Has a Responsible Financial Officer been appointed?	DW	
	Have items or services above a de minimis amount been competitively purchased?	DW	
	Are payments in the cashbook supported by invoices and have they been authorised and minuted?	DW	
	Has VAT on payments been identified, recorded and reclaimed?	DW	
	Is Section 137 expenditure separately recorded and within statutory limits? (N/A to BPC, as they have the General Power of Competence.)		N/a
Risk Management Arrangements	Does a scan of the minutes identify any unusual activity?		No

	Is the Register up to date?	DJW	
	Do asset insurance valuations agree with those in the Register?	DJW	
Bank Reconciliation	Is there a bank reconciliation for each bank account?	DJW	
	Is the bank reconciliation carried out regularly on the receipt of statements?	DJW	
	Are there any unexplained balancing entries in any reconciliation?		NO
Year-End Procedures	Are year-end accounts prepared on the correct accounting basis?	DJW	
	Do accounts agree with the cashbook?	DJW	
	Is there an audit trail from underlying financial records to the accounts?	DJW	
	Where appropriate, have debtors and creditors been properly recorded?	DJW	

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Signed............D J Haig-Wt.............**Date**...17 October 2025.........

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	Is Section 137 expenditure separately recorded and within statutory limits? (N/A to ~~BEC~~, as they have the General Power of Competence.)		N/A
Risk Management Arrangements	Does a scan of the minutes identify any unusual activity?	✓	NO

	Is the Register up to date?	SW	
	Do asset insurance valuations agree with those in the Register?	SW	
Bank Reconciliation	Is there a bank reconciliation for each bank account?	SW	
	Is the bank reconciliation carried out regularly on the receipt of statements?	SW	
	Are there any unexplained balancing entries in any reconciliation?	-	NO
Year-End Procedures	Are year-end accounts prepared on the correct accounting basis?	SW	
	Do accounts agree with the cashbook?	SW	
	Is there an audit trail from underlying financial records to the accounts?	SW	
	Where appropriate, have debtors and creditors been properly recorded?	SW	