

Alison Ball  
Winchfield Parish Council

28 April 2026

Dear Alison

**Winchfield Parish Council**  
**Interim Internal Audit 25-26**

The internal audit for the 25-26 financial year is now complete. I am pleased to report that I have signed off the internal audit section of the Annual Governance and Accountability Return (AGAR) for with no comments.

As stated in the engagement letter, the scope of our work is limited to completing the audit testing and enquiries we deem necessary to complete Section 4 of the Annual Report for Local Councils in England. We do not provide assurance over or accept responsibility for areas of work not included in this scope, unless specifically agreed with the Council during the financial year.

In providing internal audit services we are not conducting a financial statement audit in accordance with standards and guidelines issued by the Audit Practices Board and our procedures are not designed to provide assurance over the reliability and quality of your financial statements and management information – that is the job of external audit.

We are required by the Annual Internal Audit Report included in the Annual Governance and Accountability Return (AGAR) to review controls in place at the Council against predefined control assertions. These control assertions are set out below, together with the results of my internal audit work. Recommendations are set out at Appendix A. Areas not tested because they are not relevant to this Council are listed at Appendix B.

The audit was carried out in two stages. The interim audit was carried out on 27 January, this concentrated on in year financial transactions and governance controls. The final audit was carried out on 28 April and concentrated on the statement of accounts and balance sheet.

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### **A - Appropriate books of account have been kept properly throughout the year**

#### **Interim Audit**

The Council uses a simple excel workbook to record accounting transactions, which records individual transactions in linked tabs that produce a receipts and payment account, bank reconciliation and budget monitoring report. Given the level of income and expenditure at the Council, I consider this sufficient. The books of account were up to date at the time of my audit, and my testing demonstrated that:

- Supporting documentation could be located
- All reconciliations tested are working well
- Formulae within spreadsheet work properly

I checked that the opening balances in the cashbook at 1.4.25. Box 7 on the audited 24-25 accounts showed a balance of £65,528. This has been agreed to opening balances in the cashbook. I have recreated the bank reconciliation as at the 31 December, there is no error in the excel workbook.

The Council received a clear audit opinion from the external auditors, with regard to accounting matters, so there is nothing to take into account for the current financial year. 2 matters were raised in the other matters section of the certificate, these have no impact on the 25/26 accounts.

The Council submitted an VAT return for the 6 months to the 30<sup>th</sup> September 2025, VAT reclaimed agrees to VAT recorded in the cashbook. Vat refund has been checked into the cashbook, dated 6 October. The council is up to date with VAT accounting.

#### **Final Audit**

The accounting statements have been agreed back to year end reports produced from the excel accounting workbook. I have recreated the AGAR from the workbook, and I am satisfied that arithmetic and reporting in the workbook is accurate. All comparatives reported in the financial statements have been agreed back to the audited 24-25 accounts, as published on the Council website. Arithmetic in the financial statements has been checked.

I confirmed that the VAT return for period 1 October 25 to 31 March 26 has been completed and was submitted to HMRC on 1 April. VAT of £1,289 was reclaimed, this is supported by a schedule of transactions extracted from the accounts spreadsheet.

My interim report was considered at the March Full Council meeting (minute 19.2)

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**B - The Council's financial regulations have been met, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for Interim Audit**

The Council reviewed Financial Regulations at the Council meeting in March 25 (minute 20.1). Standing Orders were reviewed in May 2025 (minute 21). Both documents are based on NALC templates in force at time of the review.

The Council approves expenditure via the annual budget process. Each month, the Council reviews the future expenditure to be made in the finance report circulated by the Clerk, before each meeting of the Council. Payment approval is then minuted, supported by a detailed list of payments. Payments are made using online banking. The Clerk sets up payment and payment is authorised electronically by 2 councillors.

I tested a sample of expenditure transactions from the cashbook. I was able to confirm the following for all transactions sampled:

- Cashbook entry could be agreed back to an invoice from the supplier, or approval of grant award in meeting minutes
- VAT accounting correct
- Approval for the payment at bank checked to bank audit log – payment set up by Clerk, authorised by 2 councillors
- Payment for appropriate expenditure for the Council

**Final Audit**

Non pay expenditure per box 6 to the accounts amounted to £ 21,372 down from £27,674 in 24-25.

No further testing carried out at year end – I tested to end of January at my interim audit, and there have been limited payments processed through cashbook since then.

**C - The Council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these. Interim Audit**

I have confirmed that the Council has a comprehensive risk management process in place which results in a formal risk assessment. The risk assessment was reviewed at the Council meeting in May 2025 (minute 22). The risk assessment is published on the website and covers key risks for a council of this size. There is evidence of update at last review. The Council has met its obligations in this area for 25-26.

The Council is insured by Hiscox, with a standard local council policy arranged by Came and Co. I reviewed the insurance certificate and confirmed it is in date – policy reads “effective from 01/06/2025 until the policy is cancelled.” One asset category is insured – Street Furniture at £8, 976. This includes the SID – this was vandalised in 2025 and insurance paid for a replacement.

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**D - The annual precept requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.**

**Interim Audit**

Budget setting for 26-27 was due to be concluded at the Council meeting on 26 January. I will review minutes at my year end audit. The Clerk requested project requests from councillors at the November meeting. Councillors then worked on the budget over the course of December, with the approval of budget and precept due in January 2026.

I confirmed that budget monitoring reports continue to be presented quarterly to meetings of Full Council. The finance report is recorded in full in within the minutes of a council meeting. The Q2 budget report was reported at the Council meeting in November 2025– minute reference 18.2.

I review reserves at my year end audit .

**Final Audit**

Reserves at 31 March 2026 were £81,801 (24-25 £65,528).

Earmarked reserves at year end are set out below:

Community Benefit Fund (received from Solar Farm)	7054
Community Project Fund	11135
Election Costs Contingency	1601
Maintenance inc Lengthsmans Fund	2792
Planning Counsel + Neighbourhood Plan	40894
Website Development	443
Winchfield Festival	800
Office Equipment	718
SID Repair, Maintenance, Replacement	360
Defibs Repair, Maintenance, Replacement	1023
	66820

These were reviewed as part of the budget setting process; this is recorded in minutes ( minute 23.3.2.

The general reserve at 31 March was £14,.9K. This represents 45% of precept and is at the mid-point of levels recommended in the Practitioners’ Guide. General reserves are held at an appropriate level.

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The budget and precept for 26-27 were approved at the Full Council meeting in January, minute 23.3/4. A precept of £34,067 was approved, alongside a detailed budget. The level of general reserve was also considered; this is recorded in minutes.

**E - Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.**

## **Interim Audit**

### **Final Audit**

Precept per box 2 to the accounts was £33,299 (24-25 £32,193). This has been agreed to third party documentation provided by central government.

Income per box 3 to the accounts was £9,360 (24-25 £9,801). No further testing at the year-end audit, income confirmed to income sources in previous years (Solar farm / bank interest ,VAT).

**F - Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.**

No petty cash

**G- Salaries to employees and allowances to members were paid in accordance with council approvals, and PAYE and NI requirements were properly applied.**

## **Interim and Final Audits**

Staff costs per box 4 to the accounts were £5,014 (24-25 £4,894).

I tested the August salary payment to the Clerk. Pay per cashbook was agreed to the Clerk's payslip. Gross pay was then agreed to a pay award letter issued by the Chairman. The HMRC account was checked, all payments were up to date.

At the year-end audit I confirmed that box 4 on the accounting statements only contained staff salary costs, as required by regulations.

**H - Asset and investments registers were complete and accurate and properly maintained.**

### **Final Audit**

Fixed assets per box 9 to the accounts were £ 19,244 (24-25 £15,965).

I have agreed the balance in the accounts back to the asset register. The asset register appears complete and to record assets at cost or proxy cost, as required by regulations, with sufficient detail to locate all assets listed.

Additions of £3.2K have been recorded on the asset register, a new SID added in December 2025. No deletions from the asset register in year.

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**I – Periodic and year-end bank account reconciliations were properly carried out.**

**Interim Audit**

I was able to confirm that the bank account is reconciled to the cashbook each quarter, via the cashbook spreadsheet. I was also able to confirm, by reference to minutes of council meetings, that the bank reconciliation is discussed regularly at Council.

I re-performed the bank reconciliation for December 2025. I tested the following

- Confirmed balances back to bank statements
- Checked all balances in bank reconciliation back to cashbooks
- Checked arithmetic in bank reconciliation and within cashbook
- The reconciliation has been reviewed by a councillor, I checked physical signature to reconciliation

I confirmed with the Clerk that councillor review of bank reconciliations is completed promptly via email. The December bank reconciliation has been signed off by a councillor.

**Final Audit**

Borrowings per box 10 to the accounts were £nil (24-25 £ nil)

Cash per box 8 to the accounts was £81,801 (24-25 £65,528)

I re-performed the year end bank reconciliation. I recreated the cashbook for the year and checked formulae worked properly – no errors were found. I was able to agree cashbook to year end bank statements; there were no reconciling items. The year end bank reconciliation had not yet been signed off by a councillor at the time of my audit; this is due at the next council meeting.

**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, were supported by an adequate audit trail from underlying records, and**

The Council has compiled accounts on the receipts and payments basis. This is correct for a council of this size (turnover below £200K).

**L: The Authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements**

The requirements of the Transparency Code 2015 do not apply to this Council, as gross income and expenditure is below £200K. However, I can confirm that the website contains an archive of AGAR documentation, as required by regulations. Other information such as quarterly financial reports and bank reconciliations is also published and kept up to date.

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## **M – Inspection Periods**

### **Interim Audit**

Inspection periods for 24-25 accounts were set as follows

<b>Inspection - Key date</b>	<b>24-25 Actual</b>
Accounts approved at Full Council	15 May
Date Inspection Notice Issued and how published	2 June
Inspection period begins	3 June
Inspection period ends	14 July
Correct length	Yes - 30 working days

I can confirm that regulations were followed in this respect and that the Council can therefore sign off that it has met control objective 4 on the annual governance statement – inspection rights.

## **N – Compliance with Publishing Requirements 24-25 Accounts**

The Council has received the 24-25 external audit report, dated 15 September. A clear opinion was reported, with two items recorded in the other matters section of the audit certificate. These do not impact on the 25-26 financial year. A conclusion of audit notice was published on the website on 18 September, before the deadline of 30 September. All relevant elements of the AGAR, including the external audit certificate, have been published on the Council website. The external audit report was reviewed at the September Full Council (minute 20.1)

## **O: The authority has complied with laws, regulations & proper practices relating to digital and data compliance.**

The Council has completed a review of data management practices following the addition of Assertion 10 to the Annual Governance Statement. This was discussed at the March Full Council meeting. I have reviewed evidence reported to Council at this meeting. I can confirm that the Council has provided sufficient evidence to enable me to sign off that the Council is compliant with requirements of this control objective.

## **P - Trust funds (including charitable) The council met its responsibilities as a trustee.**

No trusts – confirmed with Clerk

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# April Skies

## Accounting

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I attach my invoice for your consideration together with the internal audit report from the AGAR. I would like to take this opportunity to thank you for your help with the audit. I look forward to working with you again next year, in the meantime please do not hesitate to contact me if I can be of any assistance.

Yours sincerely



Mike Platten CPFA

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**Points Forward – Action Plan - Interim Audit**

Matter Arising	Recommendation	Council Response
For 25-26, an additional assertion has been added to the Annual Governance Statement, this covers digital and data compliance. The Council is largely compliant with the requirements of the Practitioners' Guide in this area.	For clarity, it is recommended that the Council considers compliance with paragraphs 1.47 to 1.54 on page 14 of the Practitioners' Guide at a meeting before the end of the financial year. This should support a positive response on the Annual Governance Statement.	Actioned

No Matters Arising at year end audit.

## Appendix B

### Internal Audit Control Objectives – Marked as not covered

Control Objective	Area for Audit	Why this has not been audited
F	Petty Cash	No petty cash at this council
K	Limited assurance review in 23-24	Council complete review in 24-25
P	Trust Funds	No trusts at this council

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