

Louise Davies

Wisborough Green Parish Council

9 December 2025

Dear Louise

Wisborough Green Parish Council

Interim Internal Audit 25-26

Following the interim audit completed on 9 December, I attach my report for consideration by the Council. This was the first of two audits I intend to carry out to support my opinion on the 25-26 Annual Governance and Accountability Return (AGAR). I covered the following at this visit:

- Review of opening balances and reporting of 24-25 audit opinion
- Follow up previous recommendations
- Review of accounting and VAT processes
- Testing of income and expenditure first 8 months of financial year
- Risk management and insurance
- Budget monitoring reports and
- Salaries and wages
- Arrangements for inspection of accounts
- Bank reconciliations.

I am pleased to report that the Council has successfully maintained a robust system of financial control, and I have identified no matters to date that would result in a negative opinion on the year-end internal audit report. At Appendix A I list recommendations arising.

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts. The internal audit reports should therefore be made available to all members to support and inform them when they are considering the Authority's approval of the annual governance statement. I am required by Section 4 of 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 testing carried out at the interim audit.

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

Interim Audit

The Council uses the Quickbooks accounting system to record financial transactions. The Clerk is looking at options to replace this accounting package, and is examining options for parish council specific software. A new system is needed because of balance sheet reporting issues in Quickbooks. I have suggested that new systems should be trialled over the next 2-3 months, with a planned go-live date of 1 April 2026 for the new software.

The Clerk is the only person with access to Quickbooks. The system is updated monthly to record the financial transactions of the Council and a review of the cashbook shows that all data fields are being entered.

I was able to agree the opening balances in the Council's cashbooks back to the audited accounts for 24-25. Box 7 has been agreed to the opening balances on the Council's bank accounts.

The Council has completed one VAT return this financial year, for the period April to September 2025. VAT reclaimed was £7,860, the VAT claim form was submitted on 9 October. Vat reclaimed has been agreed to a schedule of transactions extracted from Quickbooks, all suppliers had VAT numbers. The refund was received on 14 October, I have checked this to bank. VAT accounting is up to date.

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 - Governance

Standing Orders / Financial Regulations were reviewed at the May 25 meeting of Full Council. Both documents follow NALC standard templates.

I selected a sample of transactions from the Quickbooks cashbook for first 8 months of the financial year. For all transactions tested I was able to confirm that:

- Transactions could be agreed back to invoice
- Payment approval slip was on file, authorised by appropriate officers, with evidence of sign off by councillor and chair of the meeting
- Payment approved at a meeting of the Council
- VAT accounted for appropriately.

I am satisfied that financial regulations are being followed when the Council makes payments.

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

Interim Audit

The Council is insured with Ecclesiastical on a standard local council package, arranged by Clear Councils. The policy was in date at time of audit, with an expiry date of 30 September 2026. Asset cover appeared satisfactory with coverage as follows:

Item Insured	Sum Insured	Declared/Full Value
BUILDINGS	£167,656	£139,714
CONTENTS	£33,000	£27,500
Street Furniture	£72,000	£60,000
Walls, Gates and Fences	£36,000	£30,000
Playground Equipment	£180,582	£150,485
War Memorials	£48,000	£40,000
CCTV Equipment	£0	£0
Ground Surfaces	£76,798	£63,999
Mowers and Machinery	£8,749	£7,291
Sports Equipment	£18,000	£15,000

Fidelity cover is set at £250K , this is sufficient, given cash balances at the Council.

The Clerk has included the insurance policy for the Village Hall in the risk assessment and reviews the insurance policy at least annually. The Clerk has received confirmation in 25-26 that the Village Hall is insured, and has confirmed a building revaluation has been completed and insurance values adjusted accordingly.

The Council's Management and Financial Risk Assessment was reviewed at the Finance Committee on 5 November 2025, minute 4. Full Council review of the risk assessment was completed at the November meeting – minute 7e, an appropriate minute was recorded.

Computer data is backed each evening to a hard disk, using an automated process, and is also backed up using Microsoft cloud storage. The Clerk confirms this has been tested and documents restored from both back ups.

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.

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

Interim Audit

I was able to confirm that the process for setting the budget and precept for 26-27 is underway. Finance Committee and Full Council have discussed an initial draft budget at November meetings. Budget and precept are due to be approved at the January 2026 meeting. Precepting authority deadlines will be met. I will check proper approval at my year end audit.

I confirmed regular budget monitoring reports, as required by financial regulations, are being produced for Full Council meetings. A profit and loss report is produced from Quickbooks for each Council meeting. I reviewed the report for the period to end October 25, presented at the November Finance Committee meeting. The budget appears to be on track and minutes confirmed proper review of the budget monitoring report has occurred. Detailed reporting of reserve balances is also carried out, and expenditure for the rest of the year is projected within the budget monitoring report.

I will review Council reserves at the year-end audit.

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

Interim Audit

I reviewed 2 CIL payments from CDC. Both credits were agreed to bank and to remittance information received from CDC. Both CIL deposits have been transferred to the CIL earmarked reserve on the balance sheet. Projects are being identified to utilise this money.

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

Satisfactory. My testing confirmed that the Council does not use petty cash.

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

Interim Audit

Payroll is processed by West Sussex County Council payroll department. Clerk's pay is processed and paid by WSCC, The Council pays WSCC by invoice and settles the monthly NEST pension contribution.

I checked the payment to the Clerk for August 2025. I was able to agree cashbook figure for net pay back to payroll, and from there I was able to agree gross pay back to a minute of the Finance Committee recording the Clerk's hours and payscale point. Payscale point was checked to national pay scales.

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

Year end audit

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

Interim Audit

I checked September 2025 bank reconciliations, all accounts had been reconciled and reviewed by Councillor Watson. The reconciliations were checked to bank statements and the accounting system. I confirmed the reconciliations are recorded in minutes.

The Council has an investment policy in place as required for all Councils with cash holdings in excess of £100k.

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 where appropriate debtors and creditors were properly recorded.

Year end test

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

Year end audit

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M - Arrangements for Inspection of Accounts

Inspection periods for 24-25 accounts were set as follows

Inspection - Key date	24-25 Actual
Accounts approved at Full Council	15 April - Full Council
Date Inspection Notice Issued and how published	2 June – website and notice boards
Inspection period begins	3 June
Inspection period ends	14 July
Correct length	Yes - 30 working days

All regulatory requirements were met in this regard.

N: Publication requirements 24-25 AGAR

The Statement of Accounts, Annual Governance Statement and the external audit certificate are published on the accounts page of the Council website. The external audit certificate is dated 15 July. The Conclusion of Audit certificate is also published, dated 24 July, before the statutory deadline of 30 September. The Council received a clear audit certificate, and this was reported to the September Council meeting- minute 10e . The Council met publishing requirements.

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

No trusts

I would like to thank you for your assistance with the audit. I will be in touch in the new year to make arrangements for the year end audit, 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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Appendix A

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.	

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