

**Aldbourn Parish Council**

<https://www.aldbourn-pc.gov.uk/>

# **Year-end Internal Audit Report 2025-26 financial year**



**Claire Lingard-McKay**

**Working the Greener Way - Online**



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## The role of Internal Audit

The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England & Wales) Regulations 2015, which states that a relevant body must:

***‘Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector and internal auditing standards and guidance’.***

The standards for ‘proper practices’ in relation to internal audit are laid down in the Public Sector Internal Audit Standards April 2017 [the Standards].

The role of internal audit is best summarised through its definition within the Standards, as an:

**‘Independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.’**

The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively.





The Council’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the Council’s objectives.

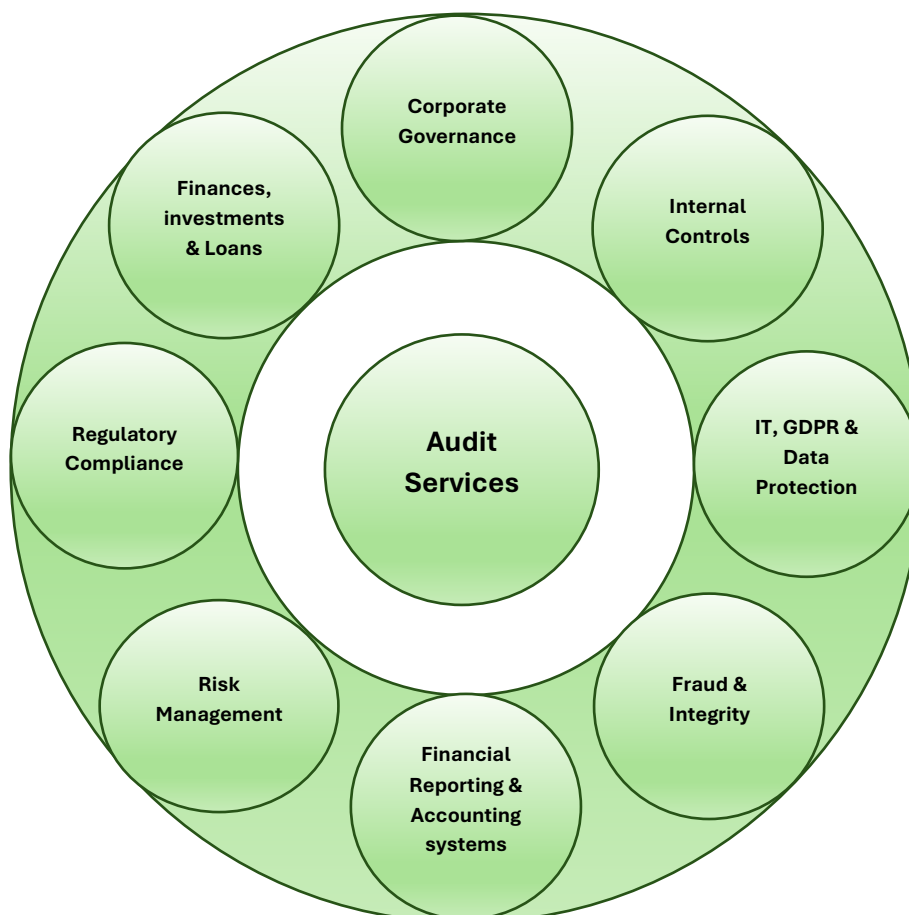
## Internal audit approach

### The risks inherent in the Council's internal control methods

To enable effective outcomes, our internal audit approach provides a combination of assurance review and consulting activities. Assurance reviews involve assessing how well systems and processes are designed and working, with consulting activities available to improve those systems and processes where necessary.

A full range of internal audit assurance reviews are performed in forming the year-end opinion with the approach to each area of review determined by:

-  The level of assurance required to meet statutory requirements;
-  The Council's short, medium, and long term objectives;
-  The level of confidence in the policies and procedures; and,
-  The risks inherent in the Council's internal control methods.



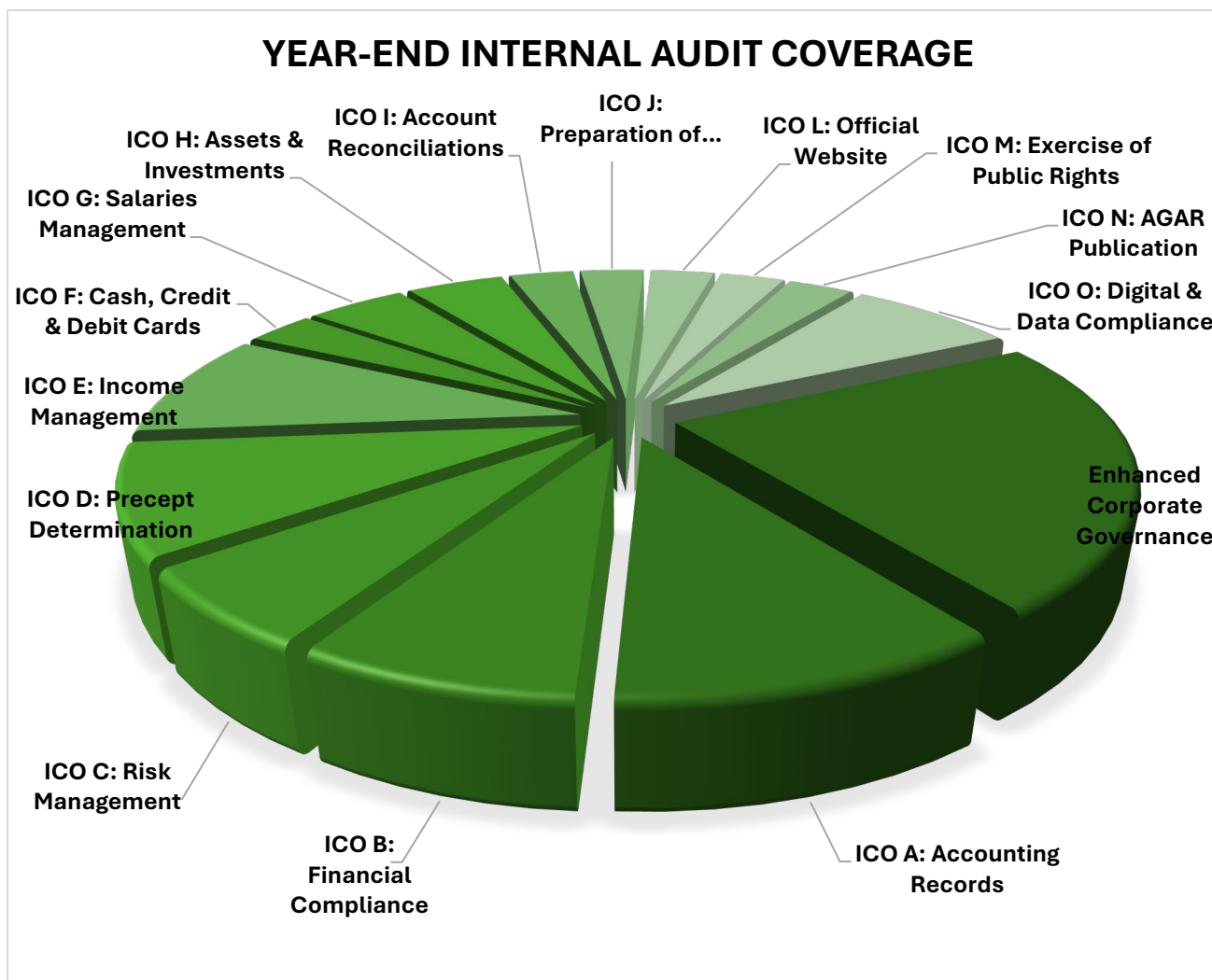
## Internal audit coverage

The annual Internal Audit plan was prepared to take account of the unique characteristics and relative risks of Aldbourn Parish Council’s activities and to support the preparation of the Annual Governance and Annual Statement of Accounts contained within the Annual Return.

Assurance reviews in seventeen areas have been planned and performed to obtain sufficient information and explanation considered necessary to give reasonable assurance that the Council’s Internal Controls systems are functioning effectively. The Internal Audit plan for the 2025-26 financial year was approved in consultation with the Council’s Clerk & Responsible Finance Officer (RFO) and was informed by our own assessment of risk and materiality.

The plan will be modified in future years, in consultation with the Clerk & RFO and Council Members to ensure it is aligned to the objectives of, and key risks facing the Council.






WGW online has provided assurance across seventeen areas of review, which correspond to the sixteen Internal Control objectives contained within the Annual Governance & Accountability Return: Annual Internal Audit Report, and an enhanced review of Corporate Governance during the 2025-26 financial year to the 31<sup>st</sup> of March 2026.



## Internal Audit opinion

The Practice Manager of WGW online is responsible for the delivery of an interim and annual Internal Audit opinion and report that may be used by the Council to inform its Governance and Accounting statements in the Annual Return. The year-end opinion, based on our review conducted remotely, with the assistance of the Clerk & Responsible Finance Officer, remotely on the 21<sup>st</sup> and 23<sup>rd</sup> of April 2026, examined the overall adequacy and effectiveness of the organisation's framework of governance, risk management and Internal Controls.

In giving this opinion, assurance can never be absolute and therefore, only reasonable assurance may be provided that there are no major weaknesses in the processes reviewed. In assessing the level of assurance to be given, I have based my opinion on:

-  The year-end audit work & reporting completed at our offices;
-  The results of the follow up discussions conducted with the Clerk & RFO;
-  The responses of the Council to prior year's internal audit report;
-  The quality and performance of the Council's administrative function and the extent of compliance with the Standards defined in the Joint Panel on Accountability and Governance, Practitioner's Guide; and,
-  The proportion of Aldbourn Parish Council's audit requirement that has been covered during the year-end review.

### Internal audit opinion

**I am satisfied that sufficient assurance work has been carried out to allow me to form a reasonable conclusion on the adequacy and effectiveness of Aldbourn Parish Council's Internal Control Ecosystem.**

**In my opinion, Aldbourn Parish Council's framework of governance, risk management and management control has 'Substantial Assurance' with internal controls working in practice.**





**Where weaknesses have been identified and/or Best Practice recommendations for improvement made, these are recorded in Section 9: 'Issues identified during the 2025-26 internal audit cycle' of this Internal Audit Report.**

## Council profile

<b>Council name:</b>	Aldbourne Parish Council
<b>Address:</b>	Crooked Cor, Marlborough, Wiltshire SN8 2EL
<b>Unitary authority:</b>	Wiltshire Council, Bythesea Road, Trowbridge BA14 8JN
<b>Proper officer:</b>	Mrs Karen Clay
<b>Responsible Finance Officer:</b>	Mrs Karen Clay
<b>General Power of Competence:</b>	Currently not eligible
<b>Members:</b>	Fifteen Members
<b>Elected Members:</b>	Nine Members
<b>Co-opted Members:</b>	Four Members
<b>Chairperson:</b>	Councillor Mr Peter Lawler
<b>Vice-chairperson:</b>	Councillor Mr Sandy Muirhead
<b>Head of Electorate:</b>	1,436 as at the 1 <sup>st</sup> of April 2026.
<b>Current precept:</b>	£56,180 for the 2025-26 financial year
<b>External Auditor's report:</b>	The Council received an Unqualified External Auditor's (PKF Littlejohn) report for the 2024-25 financial year on the 5 <sup>th</sup> of August 2025.
<b>Official website:</b>	The Council maintains a free to access website on a secure server, published at <a href="https://www.aldbourne-pc.gov.uk/">https://www.aldbourne-pc.gov.uk/</a>

## Corporate governance

The objective in this area of review is to ensure that the Council has robust corporate governance arrangements in place, and that, as far as we may reasonably be expected to ascertain (as we do not attend Council or Committee meetings) all meetings are conducted in accordance with the adopted Standing Orders and no actions of a potentially unlawful nature have been or are being considered for implementation. To meet the above objectives, we have:





-  Noted that the Financial Regulations were last Reviewed and Readopted during the 05<sup>th</sup> of March 2025 meeting of the Parish Council under Minute reference 179/25 of that meeting;
-  Noted that the Standing Orders were last amended and Readopted during the 14<sup>th</sup> of May 2025 Annual Parish Council Meeting under Minute reference 12/15 of that meeting;
-  Conducted our review of the Agenda and Minutes of Full Council (no committees) excluding Planning, for the full year ensuring that no issues affecting the Council's financial stability either in the short, medium or long term exist;
-  Noted that the Council currently maintains a well-developed portfolio of policy documents which is published on its official website. The policy portfolio is appropriate for the Council's current and ongoing requirements. Currently the Council has the following policies adopted:




### Statutory Documents

- Standing Orders – May 25
- Financial Regulations – Mar 25
- Councillors Code of Conduct – Sep 25

### Policy Documents

- |   |   |
|---|---|
| • Asset Management Policy – May 25      | • Grievance & Disciplinary Policy – Mar 25          |
| • Biodiversity Statement – Nov 23       | • Health & Safety Policy May 24 (R)                 |
| • Complaints Policy – Mar 25            | • Information Security – May 24 (R)                 |
| • Data Audit – Mar 25                   | • Information Technology & Email Policy Nov 25      |
| • Data Protection Policy – Sep 25       | • Investment Policy – May 25                        |
| • Dignity at Work Policy – Sep 25       | • Memorial Policy – Sep 25                          |
| • Document Retention Policy – Sep 25    | • Land use for Events Policy – Mar 26               |
| • Donation Guidelines – May 25 (R)      | • Press & Media Policy – Mar 26                     |
| • Equality & Diversity Policy – Mar 25  | • Reserves Policy – Mar 26                          |
| • Expenses Policy – Mar 26              | • Social Media & Electronic Comms Policy May 25 (R) |
| • FoI & Publication Scheme – May 24 (R) | • Vexatious Complaints Policy – Mar 25              |

-  We note that the Council holds a Social Media & Electronic Communications Policy and a Press & Media Policy, as recorded above;
-  We note that the Council was not exempt from Limited Assurance Review during the 2024-25 financial year and is not exempt from Limited Assurance Review during the 2025-26 financial year;
-  We note that the Council correctly Approved and Published its Notice for the Exercise of Public rights for the 2024-25 financial year;
-  We note that the Council correctly Noted and Published the External Auditor's Report and Certificate and the corresponding Notice of Conclusion of audit for the 2024-25 financial year;

-  We note that the Council correct Published the Internal Auditor's AGAR Annual Internal Audit Report for the 2024-25 financial year;
-  We note that the Council properly maintains its Members Register of Interests. This may be accessed from the Council's official website, via a hyperlink located on each of the Councillor's profiles, which takes the user through to the record published on the Principal Authority: Wiltshire Council's website where the digital register is maintained; and,
-  Noted that the Council is currently ineligible to adopt the General Power of Competence as although the Council can demonstrate that it has the required number of elected Members, the Clerk obtained CiLCA qualification prior to 2012. It is our opinion that the Council has not been negatively impacted and has not been prevented from undertaking any action due to this position.

It should be noted that the Clerk would be required to retake the whole of the CiLCA qualification to place the Council in a position to gain eligibility for the General Power of Competence.

**There are no matters arising from this area of review warranting formal comment or recommendation.**

**Outcome - Corporate Governance**

**Substantial Assurance**

## Year-end Independent Internal Audit

### Internal control objective 'A'





'Appropriate accounting records have been properly kept throughout the financial year.'

The objective in this area of review is to ensure that the accounting records are being maintained accurately and currently, and that no anomalous entries appear in the financial ledgers.

#### Finance systems

The Council has maintained its financial records using a single Microsoft Excel spreadsheet which is adequate given the low number of transactions annually. However, it is our opinion that this is not a suitable vehicle to manage the Council's Financial Accounts.

To meet the above objectives, we have: -

-  Checked and verified that the closing balance for the 2024-25 financial year was correctly brought forward as the opening balance of the 2025-26 financial year;
-  Noted that sufficient columnar analysis was available to provide standardised financial reporting, with VAT recorded correctly;
-  Noted that as the position of the Clerk & RFO is held by one person during the 2025-25 financial year, being a smaller Parish Council, a formal segregation of duties is not possible to implement; and,
-  Checked and verified all transactions on all the spreadsheet cashbooks for the 2025-26 financial year from the 1<sup>st</sup> of April 2025 to the 31<sup>st</sup> of March 2026.

#### Bank and building society accounts

The Council retains the public funds under its management in two separate accounts, current and deposit with Lloyds Bank Plc.

Aldbourn Parish Council uses electronic banking to conduct financial transactions.

#### Investments and Loans

The Clerk & RFO has Certified that as at the 31<sup>st</sup> of March 2026 the Council retains no public funds in other investments and has no loans owed either by it, or to it.

#### Credit and Debit cards

The Clerk & RFO has Certified that during the period of the 01<sup>st</sup> of April to the 31<sup>st</sup> of March 2026 the Council did not hold a credit card. A single debit card is held by the Clerk for occasional purchases for and on the Council. All expenditure is subject to the same scrutiny and approval as all other payments.

#### Conclusion & Recommendation

**The Council has utilised a Microsoft Excel spreadsheet to maintain its financial records to the date of this audit and this approach has served the Council well. We take this opportunity to advise the**

Clerk & RFO and Council Members that from the 31<sup>st</sup> of March 2027 Council's will be required to submit their AGARs and Annual Returns using an electronic portal, it is the current plan to require all Council's to employ formal accounting software, linked to the Making Tax Digital (MTD) HMRC Gateway during the following year.

We strongly encourage the Clerk & RFO and Council members to review, during the 2026-27 financial year sector specific software utilised by smaller councils, such as Rialtas Essentials and Scribe Accounts for example, and consider the acquisition of these to maintain the Council's financial records.

Both these products would save the Clerk considerable time in maintain and producing the Council's financial accounts and annual Accounting Statements and the acquisition of such a product will place the Council in good standing for the future changes facing Smaller Authority.

R1 The Clerk & RFO and Council Members should consider the acquisition and implementation of a formal accounting software package that is MTD enabled both to save the Clerk & RFO time, and to place the Council in good standing in relation to the future changes facing the Smaller Authority.

**Outcome - Internal Control Objective 'A'**









**Substantial Assurance:**

## Internal control objective 'B'

'This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.'

The objective in this area of review is to ensure that Council resources are released in accordance with the Council's adopted Standing Orders, Financial Regulations, budgets and other approved procedures, that payments are supported by appropriate documentation, either in the form of an original trade invoice or other appropriate form of document confirming the payment as due and/or an acknowledgement of receipt, where no other form of invoice is available, that correct analysis codes have been applied to invoices when processed, and that VAT has been appropriately identified and coded to the control account for periodic recovery.

To meet the above objectives, we have: -

-  Noted that the Council has not had any requirement to enter into a formal tender process during the period of the 1<sup>st</sup> of April 2025 to the 31<sup>st</sup> of March 2026;
-  Checked and verified that all quotations undertaken during the period of the 1<sup>st</sup> of April 2025 to the 31<sup>st</sup> of March 2026 have been undertaken in accordance with the Council's currently adopted Standing Orders and Financial Regulations;
-  Noted that due to the relatively low number of transactions, that no Purchase Order system is in place, with significant purchases being placed by the Clerk & RFO via email;
-  Conducted a Review of Expenditure to ensure compliance with the Council's currently adopted Financial Regulations and the requirements of the Smaller Authorities Proper Practices Panel (SAPPP) Practitioners Guide. We have sampled all non-payroll related payments, as recorded in the Council's spreadsheet, with the criteria of every payment in excess of £500.00 and every 20<sup>th</sup> payment, as recorded in the spreadsheet cashbook, irrespective of value. A total of 17 payment documents were checked and verified with no matters arising. The payment sample represented 75% of all non-payroll related by value, in the amount of £30,426.25;
-  Noted that the Clerk & RFO validates invoices and other payment documents upon receipt, records the details in the spreadsheet cashbook, then creates a Schedule of Payments which is presented to Members at Full Council, with the corresponding payment documents for their scrutiny and approval. Upon approval, the Clerk & RFO loads the payments onto the Lloyds Bank online payment system for authorisation by two delegated Council Members; and,
-  Noted that VAT has been properly recorded in the Council's spreadsheet cashbook;
-  Noted that the Council's reclaims VAT on a quarterly basis via an s.126 VAT reclaim. The most recent VAT Reclaim was submitted on the 17<sup>th</sup> of March 2026, under reference V460-LBWU-40TY, in the amount of £1,980.10, which was received to bank on the 20<sup>th</sup> of March 2026; and,
-  Noted that the total VAT reclaimed during the 2025-26 financial year was in the amount of £6,971.50.

There are no matters arising from this area of review warranting formal comment or recommendation. We take this opportunity, however, to make a single best practice recommendation.

Regular filing is the primary best practice for English councils reclaiming VAT via the VAT s.126 form, with HMRC recommendation to submit claims quarterly, ideally aligned with the financial year-end of March 31st.

We note that the Council does make quarterly returns, however, we encourage quarterly return to be made to the quarter end date, i.e., the 30<sup>th</sup> of June, 30<sup>th</sup> of September, 31<sup>st</sup> of December and the 31<sup>st</sup> of March each year. It is considered best practice to submit the VAT return seven working days after the month end.

R2. We suggest that the Clerk & RFO should ensure that, henceforth, VAT reclaims are made on a quarterly basis, aligning with the end of each quarter in the Council's financial year, and ensuring that the year-end VAT reclaim is made to the 31<sup>st</sup> of March each year.

**Outcome - Internal Control Objective 'B'**


**Substantial Assurance**


## Internal control objective 'C'

'The authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.'

The objective in this area of review is to ensure that the Council has put in place appropriate arrangements to identify all potential areas of risk of both a financial and health and safety nature. We also aim to ensure that appropriate arrangements exist to monitor and manage those risks to minimise the opportunity for their coming to fruition.


To meet the above objectives, we have: -

 Noted that the Council maintains a combined Business & Health and Safety Risk Register Microsoft Word. The currently adopted Risk Register was last formally Adopted during the 04<sup>th</sup> of February 2026 meeting of the Parish Council, on under Minute Reference 174/26;

 Examined the Council's insurance policy to ensure that appropriate cover is in place: Cover is provided by Zurich Municipal Insurance under a Select for Local Councils Policy; policy number YLL-2720872973 with the period of cover running continuously from the 01<sup>st</sup> of June 2025 to the 31<sup>st</sup> of May 2026. Key features of the Cover provided are as follows:

○ Public & Products Liability	£12 million
○ Employers Liability	£10 million
○ Personal Accident	£100 thousand
○ Fidelity Guarantee	£250 thousand
○ Libel & Slander	£250 thousand
○ Money	£250 thousand
○ Legal Expenses	£200 thousand

We consider this level of cover appropriate for the Council's ongoing requirements; and,

 The Council owns a football field and a tennis court and a recreation field called Palmer's field which is currently leased to a group in the village which is working to install sports facilities on the land;

 The Council is responsible for three children's playgrounds:

- Claridge Close Play Area: Children's play equipment
- Goddards Play Area: Children's play equipment and a small grassed area
- Whitley Playing Field: Small field with two goal posts and a climbing frame

Council Members, who are not current Playground Inspector trained, undertake regular playground inspections, on at least a monthly basis, where and defects at playground or with playground equipment are recorded in an App which records the findings on the Safety Culture website. The Clerk & RFO reviews and takes any actions as required, as recorded in the Council's Approved and Published Minutes.

The annual independent playground inspection is undertaken by the Play Inspection Company Ltd, Unit 5, Glenmore Business Park, Blackhill Road, Poole, Dorset BH16 6NL, submitted to the Clerk & RFO and Members with recommendations for remedial works to be undertaken. The

Council's Combined Health & Safety and Business Risk Register has assessed Risks at each of the playgrounds and recreation areas.

Finally in this area of review we note that the Clerk & RFO has stated the Council retains its Playground inspection reports for the mandatory period of eighteen plus three years, twenty-one years in total, as recorded in the Council's currently adopted the Document Retention policy.

**There are no matters arising from this area of review warranting formal comment or recommendation. We take this opportunity, however, to make two best practice recommendations.**

**The Council has demonstrated a reasonable and proportionate approach to risk management in all aspects of its operations. Given the number of children's playgrounds and other recreation facilities which are managed by the Council, we suggest that the Clerk & RFO and Members give serious consideration to adopting a dedicated Play Area Risk Management Policy.**

**R4 We suggest that the Clerk & RFO and Members give serious consideration to adopting a dedicated Play Area Risk Management Policy given the number of children's playgrounds and other recreation facilities which are managed by the Council.**

**The Clerk has stated that she is seeking organisations which can provide Playground Inspector training courses. New Milton Town Council in the New Forest provides excellent and accredited Playground Inspector training courses from its offices.**

**R5 We suggest that the Clerk & RFO and Members contact the Clerk of New Milton Town Council, Mr Graham Flexman, regarding the Council's accredited Playground Inspector Training courses.**





**Outcome - Internal Control Objective 'C'**

**Substantial Assurance**

## Internal control objective 'D'

'The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.'

The objective in this area of review is to ensure that the Council has determined its annual budget based on sound assumptions of intended spending, that reasonable and proportionate funding is available to meet future spending plans, and that Members are kept aware of actual budgetary performance during the course of the financial year. We also seek to assess the adequacy of retained reserves, be they in respect of specific earmarked funds or the General Fund. To meet the above objectives, we have:

-  Noted from our review of the Council's Minutes that Members review the current year income and expenditure each month when reviewing the Clerk & RFO's financial statement, with a Budget vs Actual report reviewed on a quarterly basis;
-  Noted that the Clerk & RFO and Members undertook a Budget setting and Precept determination process throughout November and December 2025. This resulted in the Council establishing a Budget and Precept for the 2026-27 financial year during the 7<sup>th</sup> of January 2026 meeting of the Parish Council under Minute reference 153/26 of that meeting, the Precept in the amount of £58,427.00 represented an increase of £3.00 over the previous year for Band D property,
-  Noted that the Council has thirteen formally constituted earmarked reserves in the amount of £58,728;
-  Noted that the year-end outturn as at the 31<sup>st</sup> of March 2026 was as follows:

Lloyds Bank Current Account	£1,062.66
Lloyds Bank Deposit Account	£82,802.25
<b>Total Cash at Bank as at 31.03.25</b>	<u>£83,864.31</u>
Earmarked Reserves	<u>£58,728.06</u>
<b>General Reserve as at 31.03.25</b>	<u>£25,136.25</u>
<b>Total FY2025-26 expenditure</b>	<u>£51,173.81</u>
<b>Average Monthly expenditure</b>	<u>£4,264.48</u>

The level of the Council's General Reserve as at the 31<sup>st</sup> of March 2026 is approximately six (6) months retained reserve at the average prior year monthly rate of expenditure which sits at the upper level of the Chartered Institute of Public Finance & Accountancy (CIPFA) guidance; and,

We have checked & verified the content of the FY2024-25 Variance Report.

**There are no matters arising from this area of review warranting formal comment or recommendation:**

**Outcome - Internal Control Objective 'D'**

**Substantial Assurance**

### Internal control objective 'E'

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

The objective in this area of review is to ensure that the Council maintains appropriate records to ensure that all income due to the Council is identified, invoiced accordingly, and recovered within an appropriate time scale.

To meet the above objectives, we have: -

Noted that in addition to the Precept the Council receives supplementary income from a relatively limited variety of sources including CIL funds, occasional grants and donations, VAT Reclaims and Bank Interest. The Council offered no chargeable services during the 2025-26 financial year.

#### CIL Funds

The Council received CIL funds in the amount of £3,895.54 during the 2025-26 financial year.

#### Allotments

The Council received Allotment income of £75.00 during the 2025-26 financial year.

#### Rental leases

The Council received Lease income in the amount of £77.00 during the 2025-26 financial year.

#### Bank Interest

The Council received interest payments on its Lloyds Bank (deposit) Account in the amount of £544.14 during the 2025-26 financial year.

#### Occasional Grants & Donations

The Council received Grants & Donations in the amount of £330.00 during the 2025-26 financial year.

#### Wayleaves

The Council received Wayleave income in the amount of £13.58 during the 2025-26 financial year.

#### Vodafone disbursement

The Council received a disbursement in the amount of £1,500.00 during the 2025-26 financial year.

#### Electricity

The Council received Electricity income in relation to the Community Room Toilets in the amount of £483.79 during the 2025-26 financial year.

#### VAT Reclaims

The Council received four VAT s.126 Reclaim in respect of the 2025-26 financial year, in the amount of £6,971.25.

**There are no matters arising from this area of review warranting formal comment or recommendation.**

### Outcome - Internal Control Objective 'E'

**Substantial Assurance**

### Internal control objective 'F'

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

The objective in this area of review is to ensure that the Council manages its Petty Cash system(s) in accordance with its adopted Financial Regulations, that items purchased are suitable for the Council's use, transactions are correctly recorded in the Council's cashbooks, that VAT is identified for recovery where appropriate and that the Petty Cash account is reconciled on an appropriate basis.

The Council does not operate a Petty Cash System, with all incidental payments being made via the Council's issued Debit Card.

The Council does not hold any other Cash Float System, with any amounts of cash received in relation to events being banked as soon as is reasonably practicable given that the nearest banking facilities are located in Hungerford or Swindon.

**There were no matters arising from this area of review warranting formal comment or recommendation.**












### Outcome - Internal Control Objective 'F'

**Not Applicable**

### Internal control objective '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.'

The objective in this area of review is to ensure that the Council is appropriately observing legislation with regard to the Employee Rights Act 1998 and the requirements of HMRC legislation as regards the deduction and payment of income tax and NI contributions, together with meeting the requirements of the LGPS. To meet the above objectives, we have: -

-  Noted that during the 2025-26 financial year from the 01<sup>st</sup> of April 2025 to the 31<sup>st</sup> of March 2026 the Council employed a single employee, the Clerk & RFO;
-  Noted that the Clerk & RFO has been issued with a NALC Model Contract of employment dated the 06<sup>th</sup> of April 2022;
-  Noted that the Clerk & RFO was employed on the basis of being in the range of LC2 SCP24-28 as approved at the 07<sup>th</sup> of January 2025 meeting of the Parish Council under Minute reference 151/25. However, the employment is not based on a proper SCP Grade. The Clerk & RFO's wages are calculated against the agreed hourly rate which is established in January each year with the percentage nationally agreed pay increase applied to it;
-  Noted that the Clerk & RFO was contracted to work on the basis of a 10 hour week;
-  Noted that the payroll is managed in house by the Clerk & RFO using Shape Payroll software;
-  Checked and verified the payroll for the 2025-26 financial year with no matters arising;
-  Checked and verified the Clerk's payslip for the month of August 2025 to ensure that the details recorded thereon agreed with the detail recorded in the Spreadsheet cashbook with no matters arising;
-  Checked and verified that the PAYE and NI deductions had been properly paid to HMRC and were properly recorded in the Council's Microsoft Excel spreadsheet cashbook;
-  Noted that the Council is registered with the NEST Pension scheme. The Clerk & RFO 'opted out' of the Pension Scheme during the 2025-26 financial year;
-  Checked and verified the year-end payroll reports with no matters arising; and,
-  Checked & verified that only direct salary costs and corresponding deductions appear in Box 4 'Staff Costs' of the 20245-26 financial year Annual Return.

**There are no matters arising from this area of review warranting formal comment or recommendation.**

### Outcome - Internal Control Objective 'G'

**Substantial Assurance**

### Internal control objective 'H'

'Assets and investments registers were complete and accurate and properly maintained.'

The objective in this area of review is to ensure that the Council has prepared and maintains a register of its stock of land, buildings, vehicles, furniture and equipment as required by the Smaller Authorities' Proper Practices Panel (SAPPP) Practitioners' Guide.

The Council maintains its Fixed Asset Register in a Microsoft Excel spreadsheet. The spreadsheet is compliant with the requirements of the SAPPP Practitioners Guide 2025 and its predecessor the JPAG Practitioners Guide 2024.

Without conducting a physical examination of the Council's Assets, we are reliant on the Clerk & RFO's assertion as to the accuracy of information contained on the Register, which declares a Fixed Asset Value of £140,319.84 in accordance with in-year acquisitions.

#### Conclusion

**There are no matters arising from this area of review warranting formal comment or recommendation.**

**Outcome - Internal Control Objective 'H'**




**Substantial Assurance**

### Internal control objective '1'

'Periodic bank account reconciliations were properly carried out during the year.'

The objective in this area of review is to ensure that the Council conducts regular reconciliations of the bank, building society and other investment accounts in which it maintains the public funds raised by taxation. That these reconciliations along with the corresponding account statements are presented to Members for their scrutiny and approval with that being recorded in the Minutes of the Full Council or its Committees.

To meet the above objectives, we have:

-  Noted that the Clerk & RFO reconciles all the Council's financial accounts on a quarterly basis;
-  Checked and verified the Bank Reconciliations on the Council's two Lloyds Bank Accounts for the 2025-26 financial year, for the period of the 1<sup>st</sup> of April 2025 to the 31<sup>st</sup> of March 2026 with no issues arising; and,
-  Noted that the monthly bank reconciliation statements are presented at each monthly meeting of the Parish Council and their scrutiny and approval properly recorded in the Council's Minutes in the monthly Finance Statement.

**There are no matters arising from this area of review warranting formal comment or recommendation.**

**Outcome - Internal Control Objective '1'**

**Substantial Assurance**

### Internal control objective '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 audit trail from underlying records and where appropriate debtors and creditors were properly recorded.'

Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments), agreed to the cashbook, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.'

The Council's accounts are managed in a single Microsoft Excel spreadsheet workbook, with separate Spreadsheets produced for Reconciliation statements, Fixed Asset Register and Budget vs Actual analysis. We have examined and consider the combined spreadsheets reflect the full-year's transactions as recorded therein.

The spreadsheets have been used to manage the following working records, which have all been checked and verified from the 01<sup>st</sup> of April 2025 to the 31<sup>st</sup> of March 2026 with reference to prime documentation:

We have checked and verified the Closing Balance for the 2025 financial year, as at the 31<sup>st</sup> of March 2025 against the Opening Trial Balance for the 2025-26 financial year as at the 1<sup>st</sup> of April 2025 ensuring that the cashbooks remained in balance, with no matters arising.

Further, we checked and verified all the Council's Financial Spreadsheets at a 'line-item' level comprising the totality of its Financial records from the 01<sup>st</sup> of April 2025 to the 31<sup>st</sup> of March 2026, with reference to the supporting prime documentation, i.e. electronic copies of the bank statements, payment documents, remittance advices and the Council's published Minutes with no matters arising.

We also have checked and verified the Closing Balance declared on the spreadsheet cashbook as at the 31<sup>st</sup> of March 2026, against primary documentation, ensuring that the cashbooks remained in balance, with no matters arising. Finally, in this area of review, we have checked and verified the detail of the Annual Accounting statements with no matters arising.

**There are no matters arising from this area of review warranting formal comment or recommendation.**

**Outcome - Internal Control Objective 'J'**

**Substantial Assurance**

### Internal control objective 'K'

'If the authority certified itself as exempt from a limited assurance review in 2023/24, 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 objective in this area of review is to ensure that the Council is to ensure that where a council has certified itself as exempt from a limited review in the prior financial year, it met with the exemption criteria to do so.

Aldbourn Parish Council has a turnover in excess of £25,000.00 and as such it does not meet the exemption criteria. The Council was subject to a limited assurance review of its 2024-25 Annual Governance and Accountability Return (AGAR) as required by statute.

**There were no matters arising from this area of review warranting formal comment or recommendation.**

**Outcome - Internal Control Objective 'K'**

**Substantial Assurance**











### Internal control objective ‘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.’

The objective in this area of review is to ensure that the Council has met its statutory requirements to publish all required documentation on its official website in accordance with the relevant legislation in place at the time of the audit.

The Council maintains its official website on a JSEC approved server, under the domain <https://www.aldbourne-pc.gov.uk>. The Clerk & RFO has a dedicated email address [clerk@aldbourne-pc.gov.uk](mailto:clerk@aldbourne-pc.gov.uk) as do all the Council Members.

The following information is published on the website:

-  Agenda and Minutes from 2021 to the present day, including complete record of payments;
-  The Parish Council’s diary of meetings;
-  Profiles of the Parish Councillors and their portfolios with hyperlinks to their electronic Register of Interest;
-  AGAR, Accounting Statements and Audit documentation form 2021-22 to the present day;
-  Notice for the Exercise of Public Rights 2021-22 to the present day;
-  Notice of Conclusion of Audit 2021-22 to the present day;
-  Standing Orders, Financial Regulations & Code of Conduct;
-  Policy documents;
-  Information about the Council, its assets and responsibilities; and,
-  A document archive.

The Council is not required to comply with the Transparency Code as the turnover is now in excess of £25,000 however, as far as can be ascertained it does so in all respects. The Council’s official website is compliant with current Accessibility Legislation (WCAG 2.2 AA).

**There are no matters arising from this area of review warranting formal comment or recommendation.**

**Outcome - Internal Control Objective ‘L’**

**Substantial Assurance**

### Internal control objective '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 approve minutes confirming the dates set).*'

The objective in this area of review is to ensure that the Council has met its statutory requirements to establish and publish the Notice for the Exercise of Public Rights properly, and for the correct period of time.

The Clerk & RFO has certified that Aldbourn Parish Council posted the Notice for the Exercise of Public rights for the 2024-25 financial year AGAR and Accounts on the Council's noticeboards and website. The Notice remains published on the Council's official website as at the 24<sup>th</sup> of April 2026.

The published Minutes of the Annual Parish Council Meeting of the 14<sup>th</sup> of May 2025 records that the Notice of the Period for the Exercise of Public Rights was set out as follows:

#### NOTICE OF THE PERIOD OF THE EXERCISE OF PUBLIC RIGHTS FY2024-25

 Date of Announcement	: 02 <sup>nd</sup> of June 2025
 Commencement date	: 03 <sup>rd</sup> of June 2025
 Conclusion date	: 14 <sup>th</sup> of July 2025

The period for the Exercise of Public Rights was properly established for the statutorily required period of thirty (30) working days, including the first ten (10) working days in July.

#### Outcome - Internal Control Objective 'M'





**Substantial Assurance**

### Internal control objective 'N'

'the authority has complied with the publication requirements for the 2024/25 AGAR (see AGAR Page 1 Guidance Notes).'

The objective in this area of review is to ensure that the Council has met its statutory requirements to publish the Notice of Conclusion of Audit, after the Receipt of the External Auditor's certificate and report.

To meet the above objectives, we have:

-  Noted that the Council received an 'Unqualified' External Auditor's report and certificate, in respect of the 2024-25 financial year, from PKF Littlejohn LLP dated the 05<sup>th</sup> of August 2025;
-  Noted that the Announcement of the Notice of Conclusion of Audit was made on the 15<sup>th</sup> of August 2025, by the Clerk & RFO;
-  Noted that the AGAR, External Auditor's Certificate and report and the Notice of Conclusion of Audit for the 2024-25 financial year are published on the Council's official website; and,
-  Checked and verified with the Clerk & RFO that the Notice of Conclusion of Audit for the 2024-25 financial year was published prominently on the Council's Noticeboards.

**There were no matters arising from this area of review warranting formal comment or recommendation.**

**Outcome - Internal Control Objective 'N'**












**Substantial Assurance**

### Internal control objective 'O'

The authority has complied with laws, regulations and proper practices relating to digital and data compliance.

The objective in this area of review is to ensure compliance with data protection regulations for, smaller authorities: That the Council has appointed a Data Protection officer to oversee data protection and ensure compliance with GDPR, to conduct regular data audits to identify what personal data is held, how it is used and make sure it is processed lawfully, to implement a Data Protection policy on data handling, storage and sharing, to provide regular training to ensure all staff and members are trained on data protection principles and practices and to ensure that the Council's data is secured using appropriate technical and organisational measures to protect personal data from breaches.

To meet the above objectives, we have:

-  Noted that the Council is registered as a Data Registrant with the Information Commissioner's Office (ICO), Registration Reference ZA377093;
-  Noted that the Clerk & RFO is the Council's nominated Data Protection Officer;
-  Noted that the Council has Adopted and Published a Freedom of Information and Publication scheme, the council has not adopted the ICO Model Publication Scheme for public authorities, which is now mandatorily required;
-  Noted that all Members are issued with council e-mail addresses for exclusive use on Council business. Councillor email-addresses are published in the Councillors profile section on the Council's official website;
-  Noted that the Council has developed a robust suite of currently adopted GDPR and Data Protection Policies which are published on the Council's official website;
-  Noted that the Clerk & RFO conducted Data Impact assessment had been completed during the 2025-26 financial year;
-  Noted that the Council has a currently Adopted Freedom of Information (FOI) Policy;
-  Noted that the Council was not in receipt of any FOI request during the 2025-26 financial year;
-  Noted that the Council has a single desktop computer which is securely located at the Clerk's office;
-  Noted that the Parish Council has appropriate Anti-Virus software in place; and,
-  Noted that the Council's documents are backed up using Google Drive.

There is clear evidence that the Clerk & RFO and Members have taken a reasonable and proportionate approach to Information Systems security and management appropriate for a smaller council.

**There were no matters arising from this area of review warranting formal comment or recommendation.**

### Outcome - Internal Control Objective 'O'

**Substantial Assurance**

### Internal control objective 'P'

FOR LOCAL COUNCILS ONLY: Trust fund (*Including charitable*) - The Council met its responsibilities as a trustee.

The objective in this area of review is to ensure that the Council has met its statutory requirements where it acts as a trustee for any trust fund or charitable trust, including maintaining separate financial and bank accounts and making all required statutory returns to the Charities Commission and/or the HMRC.



The Clerk & RFO has certified that Aldbourn Parish Council is not responsible for any Trust Fund or Charitable Trust and has no responsibilities as a trustee for any organisation.

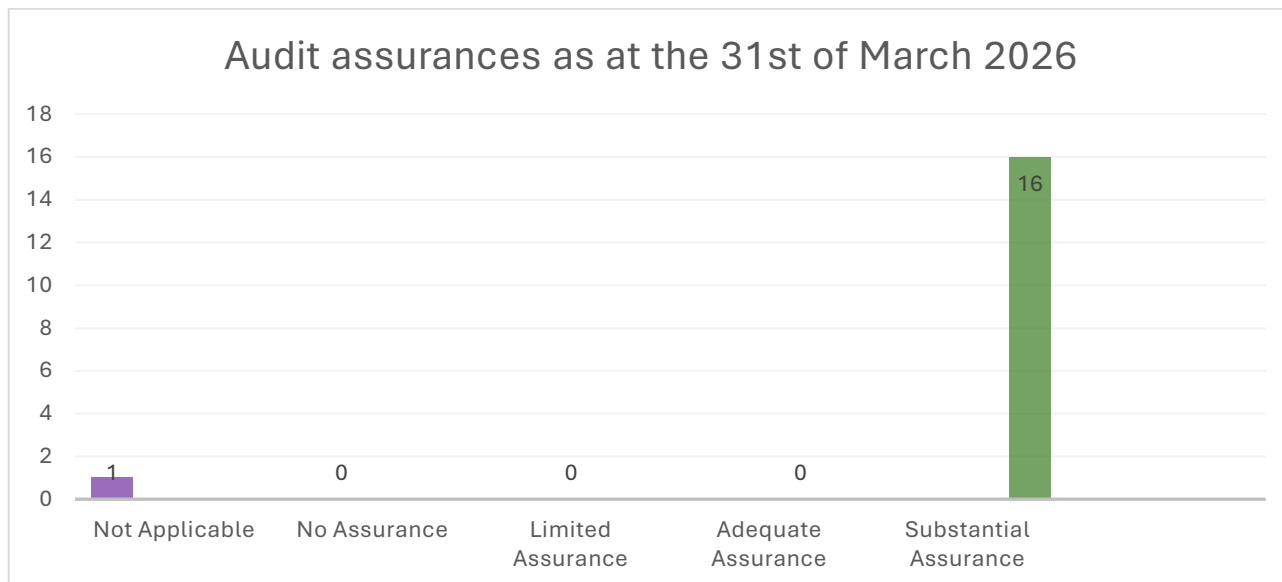
**There were no matters arising in this area of review warranting formal comment or recommendation.**

**Outcome - Internal Control Objective 'P'**

**Substantial Assurance**

## Assurance review

During the year-end internal audit for the 2025-26 financial year, we have undertaken 391 separate audit tests, providing seventeen separate assurances: an enhanced review of Corporate Governance and the sixteen areas of review which correspond to the Internal Control objectives contained within the Annual Return: Annual Internal Audit Report as detailed in the chart below.



**Substantial:** A sound framework of internal control is in place and operating effectively. No risks to the achievement of system objectives have been identified;

**Adequate:** Basically, a sound framework of internal control with opportunities to improve controls and / or compliance with the control framework. No significant risks to the achievement of system objectives have been identified;

**Limited:** Significant weakness(es) have been identified in the framework of internal control and / or compliance with the control framework which could place the achievement of system objectives at risk; or

**No:** Fundamental weaknesses identified in the framework of internal control, or the framework is ineffective or absent with significant risk to the achievement of system objectives.

**Not Applicable:** The Council does not utilise the process which is audited under this control objective. Therefore, a finding of 'not applicable' will be recorded.

## FY2025-26 Recommendations & Action Plan

Conclusion & recommendation - ICO A	
<p><i>The Council has utilised a Microsoft Excel spreadsheet to maintain its financial records to the date of this audit and this approach has served the Council well.</i></p> <p><i>We take this opportunity to advise the Clerk &amp; RFO and Council Members that from the 31<sup>st</sup> of March 2027 Council's will be required to submit their AGARs and Annual Returns using an electronic portal, it is the current plan to require all Council's to employ formal accounting software, linked to the Making Tax Digital (MTD) HMRC Gateway during the following year.</i></p> <p><i>We strongly encourage the Clerk &amp; RFO and Council members to review, during the 2026-27 financial year sector specific software utilised by smaller councils, such as Rialtas Essentials and Scribe Accounts for example, and consider the acquisition of these to maintain the Council's financial records.</i></p> <p><i>Both these products would save the Clerk considerable time in maintain and producing the Council's financial accounts and annual Accounting Statements and the acquisition of such a product will place the Council in good standing for the future changes facing Smaller Authority.</i></p> <p><b>R1</b>    <i>The Clerk &amp; RFO and Council Members should consider the acquisition and implementation of a formal accounting software package that is MTD enabled both to save the Clerk &amp; RFO time, and to place the Council in good standing in relation to the future changes facing the Smaller Authority.</i></p>	<p><b>Comments</b></p>
Conclusion & recommendation - ICO B	
<p><i>Regular filing is the primary best practice for English councils reclaiming VAT via the VAT s.126 form, with HMRC recommendation to submit claims quarterly, ideally aligned with the financial year-end of March 31st.</i></p> <p><i>We note that the Council does make quarterly returns, however, we encourage quarterly return to be made to the quarter end date, i.e., the 30<sup>th</sup> of June, 30<sup>th</sup> of September, 31<sup>st</sup> of December and the 31<sup>st</sup> of March each year. It is considered best practice to submit the VAT return seven working days after the month end.</i></p> <p><b>R2.</b>    <i>We suggest that the Clerk &amp; RFO should ensure that, henceforth, VAT reclaims are made on a quarterly basis, aligning with the end of each quarter in the Council's</i></p>	<p><b>Comments</b></p>

<p><i>financial year, and ensuring that the year-end VAT reclaim is made to the 31<sup>st</sup> of March each year.</i></p>	
<p><b>Conclusion &amp; recommendation - ICO C</b></p>	
<p><i>The Council has demonstrated a reasonable and proportionate approach to risk management in all aspects of its operations. Given the number of children’s playgrounds and other recreation facilities which are managed by the Council, we suggest that the Clerk &amp; RFO and Members give serious consideration to adopting a dedicated Play Area Risk Management Policy.</i></p> <p><i>R4 We suggest that the Clerk &amp; RFO and Members give serious consideration to adopting a dedicated Play Area Risk Management Policy given the number of children’s playgrounds and other recreation facilities which are managed by the Council.</i></p> <p><i>The Clerk has stated that she is seeking organisations which can provide Playground Inspector training courses. New Milton Town Council in the New Forest provides excellent and accredited Playground Inspector training courses from its offices.</i></p> <p><i>R5 We suggest that the Clerk &amp; RFO and Members contact the Clerk of New Milton Town Council, Mr Graham Flexman, regarding the Council’s accredited Playground Inspector Training courses.</i></p>	<p><b>Comments</b></p>

## Confirmation of independence and Quality Assurance



During the 2025-26 financial year to the 31<sup>st</sup> of March 2026, we confirm that the internal auditor has acted 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, based upon the internal audit programme, and has obtained appropriate evidence including copies of prime documentation to support our opinions from Aldbourn Parish Council.

The year-end audit for the 2025-26 financial year, conducted remotely on the 23<sup>rd</sup> and 24<sup>th</sup> of April 2026, was carried out in accordance with Aldbourn Parish Council's needs and planned coverage as reviewed with the Clerk & RFO Mrs Karen Clay.

Based on the findings in the areas examined, the internal audit conclusions are summarised in the main body of this report, which corresponds to the Internal Control Objectives table contained within the FY2025-26 Annual Return's Annual Independent Internal Audit Report, which has been duly authorised, with the following findings:

## Internal Audit Performance

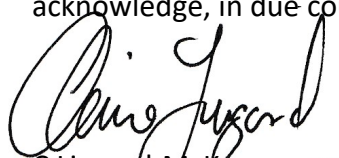
The following performance indicators are maintained to monitor effective service delivery & quality:

Annual performance indicators			
Aspect of service	Interim 2025 -26 (Actual %)		YE 2025-26 (Actual %)
Internal Audit plan delivered	N/A		100%
Positive customer responses to quality appraisal questionnaire			TBC
Compliant with the Public Sector Internal Audit Standards	N/A		100%

## Acknowledgements

We would like to take this opportunity to thank the Clerk & RFO of Aldbourn Parish Council, Mrs Karen Clay for her assistance in performing the Independent Internal Audit for the 2025-26 financial year. We are grateful for content and quality of the documentation and the responses that have been supplied to our supplementary questions. We consider the standard of Corporate Governance to be of exemplary quality and would like to take this opportunity to congratulate the Clerk & RFO and Members for the very high standards which this Council maintains.

We now ask that the Clerk & RFO, and the Council Members consider the content of this report and acknowledge, in due course, that the report has been formally reviewed and adopted by the Council.

  
 C Lingard-McKay  
 Practice Manager  
 WGW Online