

Kim Squires Internal Audit Services

52 HANDSACRE COURT
CANON LANE
RUGELEY
STAFFORDSHIRE
WS15 1PQ

Proposal to provide Independent Internal Audit Services to Longdon Parish Council.

We will carry out an independent examination of the 2025/26 Annual Return to the Audit Commission in accordance with the standards laid out in the Accounts and Audit Regulations, 2020 and embodied in the Smaller Authorities Proper Practices Panel (SAPPP) Practitioners Guide (England) March 2025. We consider these standards to be the minimum requirements and always attempt to exceed them in our examination.

In summary, we would expect to cover the following areas in our examination:

- Proper Bookkeeping
- Financial Regulations, Standing Orders and Payment Controls (including VAT)
- Risk Management and Insurance arrangements
- Budgetary Controls
- Income Controls
- Petty Cash Procedures (where applicable)
- Payroll Controls
- Assets Control
- Bank Accounts and Reconciliation
- Year End Procedure
- Transparency Code and website compliance

We will also offer advice where we identify working practices can be improved.

Our work will be carried out by myself but we do reserve the right to seek technical advice elsewhere if there is a need. In cases where a need arises, our questions will be in confidence and any costs will be within the fees we agree or notified and agreed with you in advance.

You will be aware that we already carry out similar services for a number of varied councils ranging from those with turnover of less than £10,000 to those with turnover in excess of £200,000. I am a full member of the Internal Auditors' Forum (IAF), a professional body that works to create the highest standards of Internal Audit and works closely with both National Association of Local Councils (NALC) and SAPPP. I have previous experience as a Parish Clerk to a medium sized Parish Council and further 'locum' work trouble-shooting for a number of Councils. I have almost twenty years of experience in Local Government following a 25 year teaching career.

In carrying out the audit work, we will normally make at least two visits to your offices during the audit year (this being the minimum requirement under the SAPPP regulations). An interim visit, usually made around October/November, to carry out a detailed examination of your procedures and do sample checks on transactions based on your current risk assessment and to verify the veracity of your precept calculations. This visit also satisfies the SAPPP recommendation to collect data during the year.

A final examination visit would then sign off the Annual Return having first verified the accounts and supporting schedules. An annual report letter is sent to your Council following the final examination. Any issues that are identified during the interim visit(s) would immediately be documented and communicated to you, as Clerk/RFO, for action prior to the final examination.

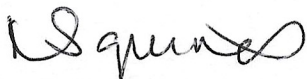
For the work likely to be involved in clearing the Annual Return this fiscal year, we undertake that our normal fee will not exceed £181.50 plus any travel and out of pocket expenses (see below). This estimate is based on our understanding of the 2024/25 expenditure and precept and on the understanding that there are no major issues carried over from the current or last year. It also assumes that you will have balanced and fully reconciled the accounts before we undertake the final examination and that you will be making a Form 3 Annual Governance and Accountability Return. Please bear in mind that you will not be billed for this work until after the start of the 2026/27 fiscal year.

Expenses will only be charged as incurred and any car mileage will be at the recommended HM Revenue and Customs rate.

If accepted by the Council, the above proposal constitutes an ongoing contract, renewable by resolution of the Council each year. If the Council seeks advice relating to the current year before extending the contract, it will be assumed that the Council intends to renew the contract. If the Council does not resolve to extend the contract, a commensurate fee will be charged for work arising from any advice sought. Fees will increase in line with the RPI, and rounded to the nearest 50p, at 1st July annually.

We trust the above will meet with your Council's approval and remind you that must discuss the appointment of your internal auditor and ratify and minute the appointment during the current financial year.

Yours sincerely



Kim Squires