Kim Squires Internal Audit Services

52 HANDSACRE COURT
CANON LANE
RUGELEY
STAFFORDSHIRE
WS15 1PQ

The Chairman,
Barlaston Parish Council,
C/O Mrs. K. St Leger,
Barlaston Methodist Church,
Park Drive,
Barlaston.
ST12 9DP

19 April 2023

Dear Councillor,

Conclusion of Internal Audit of your Parish Council for the year ended 31st March 2023

Following the completion of my work for the above year we are writing to inform the Council that having carried out the year-end review I have been able to sign the Annual Governance and Accountability Return Form 3 (AGAR) without any qualification.

The independent internal examination of the Councils governance, financial affairs and certification of the 2022-23 AGAR to the External Auditor was carried out in accordance with the standards laid out in the Accounts and Audit Regulations, 2015 and embodied in the Joint Panel on Accountability and Governance Practitioners Guide March 2022.

In summary, we covered the following areas in our examination:

- Proper Bookkeeping
- Financial Regulations, Standing Orders and Payment Controls
- Risk Management and Insurance arrangements
- Budgetary Controls
- Income Controls
- Payroll Controls
- Asset Control
- Bank Accounts and Reconciliation
- Year End Procedures.
- Charitable Trusts (when appropriate)

This year we have carried out a review of your web site to evaluate its conformance to the Local Government Transparency Code 2015 which is to be viewed as a minimum standard. We confirm your web site meets this requirement.

We carried out two reviews during the fiscal year and were accorded with full co-operation by your Clerk. Any issues which we raised with the Clerk during the conduct of our work have either been satisfactorily rectified or are noted below.

A copy of our Annual Internal Audit certification (page 3 of the AGAR) for 2022-23 is attached.

We would wish to draw your attention to the "Publication Requirements" on page 1 of the AGAR.

We would also wish to draw your council's attention to the following mattters:

1. We note that your general reserves cover (after the exclusion of properly voted earmarked funds of £65,000) is 0.22 years. We consider this to be an inadequate level of general reserves balance at the year end. You will appreciate I am not allowed to instruct you on this matter but we have taken the liberty of attaching page 38 of the Practitioners Guide 2022 which in para 5.33 gives guidance on General Reserves.
2. The Council uses a gmail account for the Clerk's email address. JPAG recommendations for 2023 are that every council should have an email account that is ideally a .gov.uk or .org.uk or is linked to the Council's website.
3. JPAG also recommends that all Councillors have dedicated Council email addresses as personal emails may be accessed in the course of Freedom of Information Requests.

In respect of points 2 and 3 above, I have supplied the Clerk with the relevant sections of the JPAG document and further advice from the Information Commissioners Office.

In respect of the new Council year we make the following additional observations and recommendations for your consideration:

1. We recommend that during the fiscal year your council should review the Risk Assessment to ensure that it still reflects the current environment. Your council should then minute its ratification;
2. During the fiscal year your council should review your Standing Orders and Financial Regulations to ensure that they still reflect the current environment. Your council should then minute that ratification. Please note that it is important that your Financial Regulations meet the standard set by those published by NALC in July 2019. The Model Financial Regulations templates were produced by the National Association of Local Councils (NALC) in July 2019 and contain a number of important legal changes;
3. Copies of both your current Standing Orders, Finance Regulations and Risk Assessment should be displayed on your councils web site and must show the latest date of revision and ratification;
4. You are reminded that when the council discusses, amends or ratifies significant documents copies should be made available on your web site for members of the public to view. These documents should be either appendices to published minutes and agenda papers or as separate documents on the web site (preferably with a hypertext link to facilitate ease of searching):
5. You must discuss the appointment of your internal auditor and ratify and minute the appointment during the current financial year. We were pleased to have

been your internal auditor during 2022/23 and offer ourselves for re-appointment. You may use either our company name or refer to Kim Squires by name in the minutes;

6. If your council wishes to carry forward earmarked funds at the yearend these must have been ratified by your council. This is best done at the time you draw up the next budget or at final meeting of the fiscal year.

It is your Council's responsibility to note these comments and to consider what action should be taken.

We would take this opportunity to remind you that when the AGAR comes back from the External Auditor you do have a duty to display the accompanying notice of Completion of Audit on each of your usual notice boards and on your council's website.

The complete AGAR and any auditor's comments or qualifications should also be displayed on your website to allow electors to see the complete card and read the External Auditors comments if they wish to do so.

In accordance with Regulation 13 (of the Audit and Accounts Regulations), after the conclusion of the period for the exercise of public rights), the authority must publish (including on its website) the annual governance statements, statement of accounts, and the external auditor's certificate and report – Sections 1, 2 and 3 of the Annual Governance and Accountability Return. Authorities must keep copies of these documents for purchase by a person at a reasonable sum and ensure that they remain available for public access for 5 years

Please do remember to retain a copy of the notice on file as proof that you have followed the requirements of the Local Government Act. You should also minute the External Auditors approval of the AGAR and any qualification or comments made and resolve to take action where necessary.

We will make our next visit on September 13th but please do not hesitate to contact me should you require advice in the meantime.

Yours sincerely,