

6th May 2018

Katrina M Baker MBE

Clerk to Edgmond Parish Council

Oaklands

Waters Upton

TELFORD TF6 6NP

Dear Katrina

COMPLETION OF THE INTERNAL AUDIT FOR 2017/18

Thank you for providing me with the information relating to Edgmond Parish Council for the financial year ended 31st March 2018.

I can confirm that the Internal Audit has been completed in accordance with the requirements of the new AGAR and the Governance & Accountability for Smaller Authorities Practitioners Guide March 2018.

I was able to witness evidence in relation to the internal control objectives as follows:

A	Appropriate accounting records have been kept properly throughout the year. I have witnessed the receipts and payment account, cheque book stubs and bank statements. Records of expenditure are noted within the Minutes and the details relating to powers, laws and statutes have been included.
B	This smaller authority has met its financial regulations, all payments were supported by invoices and all expenditure had been approved by Members, two signatories and VAT identified. The VAT, equating to £2177.60 is to be reclaimed.
C	The Council had assessed the significant risks and had insurance in place appropriately. An updated risk assessment was available which covered all necessary aspects and is updated annually.

D	An adequate system of monitoring payments against budget was in place and reported to the Council on a regular basis. The Annual Report included the earmarked reserves which identified expenditure where grants had been received. A Free reserve was identified and the contingency fund appropriate for the size of the authority.
E	Expected income had been received and accounted for.
F	The Council does not run a petty cash scheme and I have marked this box as N/A not applicable.
G	The Clerk's Salary was paid in accordance with the HMRC regulations on PAYE.
H	An asset register is complete, accurate and properly maintained. There have been no purchases during the financial year, nor any assets written off.
I	Periodic and end of year bank account reconciliations are present and reported to Council throughout the year. This is to be monitored by the Audit Group.
J	All accounting statements are prepared on a receipts and payments basis and in accordance with the Governance & Accountability for Smaller Authorities Practitioners Guide March 2018. There is an adequate audit trail.

I can confirm that the points raised in the 2016/17 Internal Audit had been reported to the Parish Council and the relevant action taken:

1. The Parish Council has produced its bank reconciliation in the recommended layout which is clear and concise. The Council only has one current account. I note that Internet Banking has been set up, although there has been no decision by the Council to introduce BACs payment.
2. The Parish Council website is to be complemented.
3. The Parish Council will be required to complete the Annual Governance Statement (AGAR Part 2) 2017/18, at its Full Council meeting prior to agreeing the Accounting Statements for the year. This must be done in May, when the dates for the exercise of elector's rights are set.

Action Plan

1. Edgmond Parish Council is to declare its Exemption at a Full Council Meeting.
2. To confirm the dates for the exercise of elector's rights at the next Full Council meeting, must include the first ten working days of July.
3. To claim back the VAT from HMRC, if not already done so.
4. To ensure that the Council continues to fully meet the requirements of the Transparency Code. Ensure that the Accounting Statements and supporting papers are available on the website as soon as possible following the agreement at the next Full Council meeting.
5. Regular meetings of the Audit Group would be an advantage and these should be recorded and actions noted.

Yours sincerely