

Kim Squires Internal Audit Services

52 HANDSACRE COURT
CANON LANE
RUGELEY
STAFFORDSHIRE
WS15 1PQ

The Chairman,
Alstonefield Parish Council,
Alstonefield Village Hall,
Alstonefield,
Ashbourne,
DE6 2FR

19 May 2026

Dear Councillor,

Conclusion of Internal Audit of your Parish Council for the year ended 31st March 2026

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 2 (AGAR) without any qualification.

The independent internal examination of the Councils governance, financial affairs and certification of the 2025/26 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 Smaller Authorities Proper Practices Panel Practitioners Guide March 2025.

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
- Digital and Data compliance
- 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 4 of the AGAR) for 2025/26 is attached.

It is your Council's responsibility to consider the attached report and the comments below during a council meeting and to consider, if necessary, what actions should be taken to remedy any points raised in the report.

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

1. The Publication Requirements on page 1 of the AGAR;
2. We note that your general reserves cover is 2.2 years. We consider this to be a very generous level of general reserves balance at the year end. We understand, however, that the Council faces the expense of a contested election and that this will have an impact on general reserves. We recommend that the Council considers earmarking reserves for unforeseen events such as this is the future. You will appreciate I am not allowed to instruct you on the level of reserves held but draw your attention to page 38 of the Practitioners Guide 2025 which in para 5.34 gives guidance on General Reserves

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. We shall base our future internal audit plans on the version of the regulations ratified by your council. Please note that it is important that your Financial Regulations meet the standard set by those published by NALC in May 2025;
3. Copies of your current Standing Orders, Financial Regulations, Risk Assessment and Publication Scheme should be displayed on the council website 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 2025/26 and offer ourselves for re-appointment. You may use either our company name (Kim Squires Internal Audit Services) or refer to Kim Squires by name in the minutes. I confirm that I have no familial relationship with any councillors or the Clerk, and that I act independently of the Council;

6. If your council wishes to carry forward earmarked funds at the year-end 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.

Can we take this opportunity to remind you that the Annual Internal Audit Report, Annual Governance Statement, Accounting Statements, an analysis of variances and the bank reconciliation plus the information required by Regulation 15 (2), Accounts and Audit Regulations 2015 including the period for the exercise of public rights still need to be fully completed and, along with a copy of this certificate, published on a public website before 1 July 2026 and also to display the accompanying notice of Public Rights on each of your usual notice boards. All published documents (as listed on p.1 of the AGAR) must be retained and made available, at a reasonable cost, for 5 years after the audit year and must remain on the Council's website for the same period.

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.

We will make our next visit in October/November but please do not hesitate to contact me should you require advice in the meantime.

Yours sincerely,

KSquires

Annual Internal Audit Report 2025/26

Alstonefield Parish Council

http://www.alstonefield.org/community/parish-council

During the financial year ended 31 March 2026, this authority's internal auditor acting 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 and obtained appropriate evidence from the authority.

The internal audit for 2025/26 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Cash payments were properly supported by receipts, all cash expenditure was approved and VAT appropriately accounted for.	NO CASH TRANSACTIONS ✓		
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.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
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 adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2024/25, 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")	✓		
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.	✓		
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 approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2024/25 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. The authority has complied with laws, regulations & proper practices relating to digital and data compliance.	✓		
P. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed). Date(s) internal audit undertaken

Name of person who carried out the internal audit

28/11/2025

18/05/2026

DD/MM/YYYY

Kim Squires

NAME OF INTERNAL AUDITOR

Signature of person who carried out the internal audit

Kim Squires

SIGNATURE REQUIRED

Date

19/05/2026

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).