

Louise Baudet
Town & Parish Council Audit Services
47 St Pauls Crescent, Coleshill,
Birmingham, B46 1BB
Tel 07503 002948
Email : TCP.Auditservices@outlook.com
Website : <https://tcp-auditservices.co.uk>

Jennifer Walper Roberts
Clerk/RFO
Alwoodley Parish Council

31st October 2025

Dear Council,

Letter of enquiry regarding engagement for 2025/26 Internal Audit

Thank you for enquiry regarding Internal Audit services for your Council. The purpose of this letter is give you a bit of background information about myself and to set out the basis on which your Council would engage me should it decide to do so.

I have been a Clerk & RFO for over 15 years, on both a contractual, locum and independent basis and registered with the Warwickshire Association of Local Councils. I am a member of the Society of Local Council Clerks, am both CiLCA and FiLCA qualified as well as trained through Worcestershire CALC as an Internal Auditor and a member of the Internal Auditors Forum. I have also undertaken specialist training on matters such as VAT, GDPR, Procurement , End of Year Accounts, etc

My role as your Internal Auditor would be as a 'critical friend' and one of independence and transparency.. It would involve looking through your Parish's processes and procedures and, where necessary, making recommendations which, I hope, will help improve the Council's governance. Some of these recommendations may be long-term goals, others may need to be implemented more quickly, but I will be available as part of the Audit process to help guide you through if this is needed.

This letter confirms the basis on which I will provide services to you to avoid any misunderstandings of our respective responsibilities.

1. Internal Audit of the Council

- a. The primary objectives of Internal Audit are:
 - i. to review, appraise and report upon the adequacy of governance and internal control systems operating throughout the Council. To achieve this I will adopt a predominantly systems-based approach to the audit;

- ii. to carry out an inspection of the books and records of the Council. For larger Councils it is often beneficial to do this quarterly.

The Council is responsible for supplying all documents requested to enable me to do this.

- b. Timescales for the effective and efficient method of completing the audit are as follows:
 - i. ensure that the process laid down within this engagement letter is acceptable;
 - ii. sign the engagement form on the last page and return that page by email.
- c. Upon receipt of this, a checklist will then be forwarded to you and this should be completed and returned with any documents requested.
- d. A review meeting with yourself as the Clerk/RFO will be arranged, either in person or via Zoom, to discuss the completed checklist and clarify any queries. If further meetings are required, these may be chargeable.
- e. The draft, electronic, editable, version, of the AGAR must be sent to me **by 31 May** and I would also need any requested documentation by this date at the latest.
- f. I will check the final Accounting Statement figures (Section 2) of the AGAR. Provided all is in order, I will then complete the Internal Audit section and return it both electronically and by post.

Note: please do not complete Section 1 of the AGAR until the Council meeting to consider the AGAR.

- g. An Annual Report will be issued with the AGAR with any action points.
- h. Unfortunately, if timescales are not observed or requested information is not provided, this can in some instances attract extra charges over and above the quoted fee as laid down below.

2. Scope of Work

Predominantly Internal Audit will review the governance of the Council culminating in the completion of the Internal Audit Report as stated above. I will identify if the following key areas are in place and working satisfactorily.

- a. Proper Book-keeping
- b. Payment controls in relation to Financial Regulations
- c. Review of the Internal Controls, which will include:
 - i. The Parish Risk Assessment;
 - ii. Review of the effectiveness of Internal Financial Control;
 - iii. An overall review of your Internal Controls.
- d. Budgetary controls
- e. Income controls
- f. Petty Cash procedures (if applicable)
- g. Payroll controls
- h. Asset controls

- i. Bank reconciliations
- j. Accounting statements and application of Spending Powers
- k. Exemption criteria (if applicable)
- l. Website and transparency code
- m. Public Rights notice and dates
- n. Publication of previous AGAR
- o. Review of the status of Trusts (if applicable)
- p. Policies review
- q. Review and completeness of minutes
- r. General governance
- s. Review and completeness of audit action plans
- t. Year End procedures, which will include:
 - i. Financial Statements review;
 - ii. Review of Council balances;
 - iii. Analytical Review;
 - iv. Annual Return review.

3. The Council Responsibilities

The Responsible Financial Officer / Proper Officer, together with the Council, have clearly defined responsibilities for Risk Management, Internal Control, Internal Audit and the prevention of Fraud and Corruption.

The existence of Internal Audit does not diminish the responsibility of the Council to establish systems of internal control to ensure that activities are conducted in a secure and well-ordered manner.

4. Fees and Charges

Fees based on Precept or projected income and expenditure - whichever is highest.

Precept / Income or Expenditure	Fees 2025 - 2026
Under £25,000	£200.00
£25,001 - £50,000	£250.00
£50,001 - £100,000	£300.00
£100,001 – £150,000	£350.00
£150,000 - £250,000	£400.00
Over £250	£450.00
All above includes:	
<ul style="list-style-type: none"> • Initial Internal Audit meeting and • an autumn review via Zoom 	

The above fees are on the understanding that all requests for documents and responses to my Internal Audit checklist are provided by the Council within the required timescales.

Additional Charges	
Late submission of documents, including the AGAR (no later than 31 May)	£75.00 surcharge
Mileage	£0.45 per mile

Additional meetings via zoom/Teams	£35.00 per hour
Attendance at a Council meeting (including travel time)	£35.00 (plus mileage)

Payment is required on invoice once the work is completed, normally within 30 days. Any expenses incurred for postage, copying, resources etc are recharged at cost and if this is likely to be in excess of £10 we would agree any costs beforehand. Where possible all work is done digitally.

5. Requests for attendance at Council Meetings

If required, I would be happy to attend a Council meeting, given reasonable notice, if convenient or at a separately convened meeting if I am unable to make your regular Council date. This gives the Council an opportunity to ask me questions, clarify the scope and nature of the work I have undertaken and to make me aware of any issues that may be relevant as my cycle of Internal Audit progresses.

6. Request for work outside the above scope

Any such request for extra audit time to be provided will be discussed at the time and will be subject to an appendix agreement.

7. Agreement of terms

Once agreed, this letter will remain effective from the date of signature until it is replaced. Either party may vary or terminate my authority to act on your behalf at any time; however, if work has already been undertaken, a charge for the work so far, will be made. Notice of termination must be given in writing.

Please confirm your agreement to the terms of this letter of engagement by completing the form and returning it to me as soon as possible. I trust that this is acceptable to the Council and look forward to hearing from you.

Yours sincerely,

Louise Baudet

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Confirmation of Engagement and Agreement Terms for Internal Audit 2025/26

Alwoodley Parish Council confirms that the Council considered and agreed to the contents of this letter outlining the scope of the Internal Audit and the relevant fees as detailed, as voted and agreed at their meeting held on

(Minute reference _____), and agrees that it accurately reflects the services that the Council has instructed you, Louise Baudet (Town & Parish Council Audit Services), as Internal Auditor, to provide.

The agreed Precept for 2025/26 was £_____

SIGNED :

Name of Clerk/RFO _____

Signature _____

Date _____