

Do the Numbers Limited
37 Upper Brownhill Road
Southampton, SO16 5NG

15th June 2022

Tim Mayled, Clerk
Burton and Winkton Parish Council
Burton Community Centre,
Sandy Plot,
Burton,
BH23 7NH

Dear Tim,

Subject: Review of matters arising from Internal Audit for 31 March 2022

Following my visit today, please find below the list of matters arising. The list is quite long, but that is not unusual in the first year I work with a council.

The internal audit was carried out in accordance with the requirements of the [Audit and Accounts Regulations 2015](#) and the guidance and instruction in the [Practitioners Guide 2022](#)

Test	Matter arising	Recommended Action
A	<i>Appropriate accounting records have been properly kept throughout the year</i>	
Accounting records	The spreadsheet used by the council is reaching its limit as the Community Centre and other activities increase activity.	The council should look at investing in accounting software such as Scribe or Alpha that will manage ledgers and reports.
Debit card	As the level of activity increases, it may be worth the clerk having a debit card to cover urgent purchases.	Particularly for online items and urgent repairs, reducing pressure on the clerk's own account is beneficial.
Grants policy	Councils have the power to make grants to community groups and, such information should be published on the website.	A good practice example of a form can be found here
B	<i>This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for</i>	
Standard documents	It is an AGAR requirement that the Standing Orders, Fin Regs, Risk Ass and Asset Reg are reviewed and approved each year.	THE current versions in use by the council are fit for purpose, but an annual update should be added to the calendar.
Minute authorisation	It is a requirement of LGA 72 that every page of the minutes is initialled and the last page signed and dated.	Ples ensure that all sets of minutes are properly authorised in advance of submission of the AGAR.
Confidential minutes	It appears that the budget was reviewed in confidential session. This is not permitted.	The budget is a public document and the precept amount should be clearly minuted each year.

Trading activity and VAT	The community centre does not charge VAT on its hire fees. This means that the council is claiming Partial Exemption and can only reclaim up to £7500 of VAT in any year relating to it.	The historic activity level and repairs are below the limit, but this should be closely monitored going forwards.
C	<i>This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these</i>	
Risk assessment	The risk assessment was not minuted as approved in the year	This should be done when all of the standard documents are updated.
D	<i>The precept budget resulted from an adequate budgetary process, progress against the budget was regularly monitored, the reserves were appropriate</i>	
Precept amount	The amount to be precepted was not minuted.	The amount requested and the budget document should comprise pages of the signed minutes.
E	<i>Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for</i>	
	The records of the council comply	With this test
F	<i>Petty cash payments were properly supported by receipts, all petty cash was approved and VAT appropriately accounted for</i>	
Petty cash	The petty cash tin is not in active use.	The minimal amount remaining should be banked and if necessary replaced with a debit card.
G	<i>Salaries to employees and allowances to members we paid in accordance wit this authority's approvals, and PAYE and NI requirements were properly applied</i>	
	The records of the council comply	With this test
H	<i>Asset and investment registers were complete and accurate and properly maintained</i>	
	The records of the council comply	With this test
I	<i>Periodic Bank reconciliations were carried out during the year</i>	
Payment list	The finance report is not currently being included and published in the signed minutes.	When minutes are signed, this page should be incorporated, and included in the web agenda pack.
Bank statement	There is no evidence that members are checking the bank reconciliation back to the statement.	Members in rotation should do this each month.
Bank accounts	The council holds four bank accounts increasing risk and administration time.	All accounts should be merged and reserves identified within a ledger system.
J	<i>Accounting statements prepared during the year were prepared on the correct accounting basis, agreed to the cash book, supported by an adequate audit trail and debtors and creditors recorded.</i>	
	The records of the Council comply	with this test
K	<i>Certified Exempt in prior year</i>	
	Not applicable to this Council	
L	<i>Transparency Code</i>	
Website	The current website does not meet the guidance but is soon to be superseded.	Pleas ensure that the new website meets best practice.
M	<i>Public Rights</i>	
	The records of the council comply	With this test
N	<i>Publication of prior year AGAR</i>	

	The records of the council comply	With this test
<i>O</i>	<i>Trust funds</i>	
	Not applicable to this Council	
<i>P</i>	<i>Borrowing</i>	
	Not applicable to this Council	

Please find attached my invoice for the agreed fee.

If either you or your members have any queries, please do not hesitate to contact me.

Regards,



Eleanor S Greene