

# Do the Numbers Limited

Southampton

5<sup>th</sup> May 2020

Claire Commons, Clerk  
Shaftesbury Town Council,  
Town Hall,  
Shaftesbury,  
Dorset SP7 8LY

Dear Claire,

## **Subject: Matters arising from Internal Audit year ending 31 March 2020**

Further to my visits to the office today and earlier in the year, please find below the matters arising. I have not repeated those matters which were raised in earlier reports but do not affect the AGAR. The Internal Audit was completed during the COVID lockdown and appropriate allowance has been made for such.

Overall I found the records and systems of the council to be in extremely good order and that the visit went well.

<b>Control area</b>	<b>Issue</b>	<b>Recommended Action</b>
Commuted sums	An amount equivalent to the LGR Commuted sums has been invested to produce the required returns but the Earmarked reserves are still shown.	When the year end is run, those amounts should be shown in fixed assets but not reserves.
External Audit	The 2017/18 and 2018/19 External audits are still with PKF awaiting completion following extensive elector queries.	It is understood that no amendments to the accounts will be needed but the investigation fees should be considered as a contingent liability.
AGAR Box 4	The figures presented for audit included staff travel and training in box 4 rather than box 6. They have been amended.	As per <a href="#">Para 2.16 here</a> the guidance has been clarified and should be followed from now on.
Earmarked reserves	The council has several earmarked reserves that have not changed in some years.	At budget setting, all reserves should be checked to ensure that they comply with the updated guidance (see para 5.33 in the link above)
General reserve	The council has some projects which have been unavoidably delayed by COVID and prior to that, LGR, however the general reserve of the council is higher than the updated guidance.	In advance of budget setting, the council should assess the general reserve with regard to para 5.32 in the link above.

Please find attached my invoice for the balance of the agreed fee. If either you or your members have any queries, please do not hesitate to contact me.

Regards



Eleanor S Greene

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