

Do the Numbers Limited

Southampton

6th February 2019

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

Dear Claire,

Subject: Matters arising from interim Internal Audit year ending 31 March 2019

Further to my visits to the office this week and last year, please find below the matters arising. I found the records and systems of the council to be in very good order and that the visits went extremely well.

Control area	Issue	Recommended Action
Bank balances / statements	The bank balances are not routinely being reported to council when payments are made. This is good practice.	Members, in rotation, should check the bank reconciliation between the Omega report and the statement and initial that they have done so.
Cash handling	The council receives significant amounts in cash, primarily from the swimming pool. The minor differences between the Z rolls and the amount banked are not always followed up.	The cash differences are not significant – and well within the norms – but cash handling risk is always high.
Card sales	The council has several activities where taking card payments would reduce risk and ease administration, both by reducing cash and cheques received..	The council should look into contactless payment terminals at both the swimming pool and the town hall to simplify income collection.
EPOS reporting	Takings at the swimming pool vary significantly across the week. Now that there are three years of data, it may be worth getting time of day and user type reporting.	If the current till cannot produce time of day reports, it may be worth purchasing a second hand till that can.
Donations received and returned	The council received substantial donations from members of the public towards purchasing some land and then returned them. This is ultra vires.	As soon as money is received into the accounts of the council , spending it back out of the council's account is covered by LGA72 rules, which preclude payments to individuals for other than services rendered. If a similar situation arises in future, donations should be managed through a local charity rather than the council.

S106 funds	The council has significant developer contributions held at the district council.	In advance of LGR, written confirmation of all balances should be obtained to ensure that they are easily available from the new authority.
Project Belle	The council has expended some legal and professional fees on this project and are now awaiting the decision of the property vendor.	All costs and income linked to this project should be very clearly defined and external professional advice sought where appropriate.

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

Regards



Eleanor S Greene