

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

10<sup>th</sup> May 2022

Brie Logan, Interim Clerk  
Shaftesbury Town Council,  
Town Hall,  
Shaftesbury,  
Dorset  
SP7 8LY

Dear Brie,

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

Following my visits today and earlier in the year, please find below the list of matters arising. I found the systems and records of the council to be in very good order.

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](#)

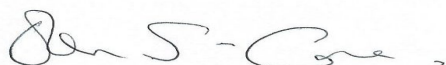
| Test               | Matter arising   | Recommended Action   |
|--------------------|--|--|
| A                  | <i>Appropriate accounting records have been properly kept throughout the financial year</i>  |  |
|                    | The records of the council   | comply with this test  |
| B                  | <i>This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for</i> |  |
| Minute approval    | Not all of the signed minutes for march were in the file and not all pages of minutes had been initialled as required by LGA72                                       | Please ensure that all minutes are authorised in advance of approval of the AGAR   |
| Standard documents | With the change in clerk, the council should check that its Financial Regulations and Standing orders are closely based on the NALC model.                           | Links to the current versions are in the practitioners Guide.  |
| External Audit     | Due to repeated queries by an elector (now five years running) 2019/20 and 2020/21 AGAR forms have not yet been signed off by PKF.                                   | On the basis that all previous delayed reports have come back with no major issues, PKF should be requested to complete their work in a timely manner. |
| C                  | <i>This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these</i>                           |  |
|                    | The records of the council   | comply with this test  |
| D                  | <i>The precept budget resulted from an adequate budgetary process, progress against the budget was regularly monitored, the reserves were appropriate</i>            |  |
|                    | The records of the council   | comply with this test  |
| E                  | <i>Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for</i>                   |  |
| Bad debt           | There is an outstanding invoice from   | Booking procedures have already  |

|                      |  |  |
|----------------------|--|--|
|                      | 2019 that is unlikely to be recoverable and may be written off.  | been updated to prevent recurrence of the situation.   |
| <i>F</i>             | <i>Petty cash payments were properly supported by receipts, all petty cash was approved and VAT appropriately accounted for</i>  |  |
| Petty cash tin       | Now that officers have debit cards, the tin balance has not changed for over a year.   | This amount should be banked and the risk area removed.  |
| <i>G</i>             | <i>Salaries to employees and allowances to members we paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied</i>                                       |  |
| Employment contracts | All staff have contracts, but it appears that many have not been updated when roles have changed.  | The incoming clerk should ensure that all contracts are up to date and accurate.                   |
| <i>H</i>             | <i>Asset and investment registers were complete and accurate and properly maintained</i>   |  |
| Delegated decisions  | The council's scheme of delegation has assisted prompt decision making, but the value of planned actions is not always clear.  | Where spending is being delegated to officers, maximum values should be minuted for capital items. |
| <i>I</i>             | <i>Periodic Bank reconciliations were carried out during the year</i>  |  |
|                      | The records of the council   | comply with this test  |
| <i>J</i>             | <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> |  |
| Year end adjustments | It would appear that not all reversing journals correctly cancelled each other out prior to audit.   | When the accounts are rolled into the new year, all control accounts should be checked.            |
| <i>K</i>             | <i>Certified Exempt in prior year</i>  |  |
|                      | Not applicable to this council   |  |
| <i>L</i>             | <i>Transparency Code</i>   |  |
|                      | The records of the council comply  | with this test.  |
| <i>M</i>             | <i>Public Rights</i>   |  |
|                      | The records of the council comply  | with this test.  |
| <i>N</i>             | <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>   |  |
|                      | The records of the council comply  | with this test.  |

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