

Do the Numbers Limited

18th January 2024

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

Dear Brie,

Subject: Review of matters arising from interim Internal Audit for 31 March 2024

Following my visits to the office today and last year, please find below the list of matters arising. I found the records and systems 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 2023](#)

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>	
Working party membership	Working parties are used extensively by STC, but the membership and TOR of each do not appear to have been minuted in the year.	It would aid transparency for the membership of each WP to be minuted annually and its TOR timescale of reporting minuted at least once a year
Minuted reports	The signed minute set of the council does not include the reports and decision papers and contract values referred to in the minutes.	The paper record should be able to stand alone – without the website – in 20+ years time. Please ensure that the permanent record is complete and clear.
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>	
Budget monitoring	The budget report used is based on a CSV extract from the accounting system rather than a direct report.	The software provider should be requested to produce a report that meets the needs of STC
E	<i>Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for</i>	
Debtor balances	The ledger contains some unallocated receipts.	Please ensure that all ledger balances are allocated regularly.
VAT on income	The council has taken specialist advice regarding VAT on income and building repairs.	At this time the approach taken remains correct.
F	<i>Petty cash payments were properly supported by receipts, all petty cash was approved and VAT appropriately accounted for</i>	
	Not covered at this visit	
G	<i>Salaries to employees and allowances to members we paid in accordance with this</i>	

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Director: Eleanor S Greene

	<i>authority's approvals, and PAYE and NI requirements were properly applied</i>	
Payroll report	The report provided by the new bureau to the council does not include year to date figures or leavers. This makes comparing the record to the nominal ledger impossible.	The bureau should be requested to provide complete year to date figures to the council each month to enable proper implementation of internal controls.
<i>H</i>	<i>Asset and investment registers were complete and accurate and properly maintained</i>	
Asset additions	The council has completed several projects in the year, some of which include fixed asset additions	Please ensure that asset additions are recorded onto the system at the time of purchase.
<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>	
	The records of the council comply	with this test.
<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.

I will return to the office in April to complete the annual review.
If either you or your members have any queries, please do not hesitate to contact me.

Regards,



Eleanor S Greene