

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

26<sup>th</sup> April 2022

Simon Pritchard, Clerk  
Milborne Port Parish Council  
The Parish Office, Town Hall  
Milborne Port, DT9 5DF

Dear Simon,

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

Following my visits to the office today and earlier in the year, please find below the list of matters arising. I found the records of the council to be in good order and that the review went well.

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 2021](#)

Test	Matter arising	Recommended Action
A	<i>Appropriate accounting records have been</i>	<i>properly kept throughout the financial year</i>
Payment method	At present the council pays all bills by cheque, rather than online.	Once the newly elected council is in post, signatories should be added and this set up.
Officer expenses	The proper officer regularly submits substantial expenses claims that have been incurred on their personal card.	It would be beneficial for the council to obtain a debit or charge card to segregate officer spending from council.
B	<i>This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and</i>	<i>VAT appropriately accounted for</i>
Minute approval	Not all of the sets of minutes have been initialled on every page and signed and dated on the last page, as is required by LGA'72	In advance of approval of the AGAR, all sets of minutes should be checked.
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 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>	
	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>	
	Not applicable to this council	
G	<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>	
	The records of the council comply	with this test

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Registered in England No. 7871759

Director: Eleanor S Greene

<i>H</i>	<i>Asset and investment registers were complete and accurate and properly maintained</i>	
Asset register	The fixed asset register has been comprehensively and historic anomalies (eg linking to insurance values) removed.	Now that the register is clear and transparent, it may be worth linking it to the accounting software.
Contract quotes	There have been instances where awaiting three quotes has delayed projects.	Making use of the website and social media to advertise projects may alleviate this.
<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>	
Accounting basis	As a result of CIL and S106 receipts, the council has exceeded the £200k limit and as such events are likely to recur, will need to change its accounting basis ideally in 2022/23 ( <a href="#">guidance here</a> )	The Scribe software should be able to convert from R&P to I&E without problems. It is likely that the only significant balance sheet entry will be the VAT debtor each year.
<i>K</i>	<i>Certified Exempt in prior year</i>	
Not applicable to this council		
<i>L</i>	<i>Transparency Code</i>	
Grants made	During the year, the council granted money to the school to purchase laptops, which classifies as double taxation.	Grants to the school PTA for non core activities are permitted, but not to offset the education budget.
<i>M</i>	<i>Public Rights</i>	
Member vacancies	The upcoming election was uncontested with the council still carrying four vacancies.	It may be beneficial to carry out a 'skills audit' of current members to allow recruitment to target where newcomers have the best impact.
<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>	
No longer applicable to this council		

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