

Do the Numbers Limited

14th June 2024

Tom Brindley, Locum Clerk
West Tytherley, Frenchmoor and Buckholt Parish Council

Dear Tom,

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

Following my visit with you today, please find below the list of matters arising.

It is concerning that many of the points raised were also on my 2018 report. It is also concerning that mathematical errors were made in the AGAR Section 2 entries in 2020, 2021, 2022 and 2023.

Members of the council must bear in mind that they are responsible for taxpayers money and each have a duty of care to comply with the requirements at all times.

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 2024](#)

Test	Matter arising	Recommended Action
A	<i>Appropriate accounting records have been properly kept throughout the financial year</i>	
Purchase invoices	The accounting records made available to the former clerk and the locum clerk were insufficient.	A clear cashbook must be maintained at all times, supported by paper or electronic copies of all invoices.
Payment approval	Due to the inqorate status of the council in May 2023, the current list of bank signatories is not clear.	Each time the bank mandate is updated, the list of signatories should be clarified.
Grant application form	The council does not have a compliant grant application form on its website.	A best practice form such as this should be adapted and adopted
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 authorisation	No sets of signed minutes were in the council files as at the date of audit.	Please ensure that every set of minutes is properly initialled, signed and dated and filed securely in advance of approval of the AGAR
Standard documents	None of the standard documents (Stand Ords, Fin Regs, Risk Ass) were adopted and published in the year.	The council should adopt the latest models and best practice proformas without delay.
GDPR	On several occasions, members of the public have been named in the minutes.	This is contrary to the GDPR 'right to be forgotten' and should cease.
VAT reclaim	No VAT126 has been submitted since 2022.	The council should ensure that VAT is reclaimed annually.
Internal audit reports	The council has not been acting on the matters raised in auditor reports.	After each audit an action plan should be agreed and reviewed throughout the year until resolved.

EleanorGreene@DoTheNumbers.uk

Registered in England No. 7871759

Director: Eleanor S Greene

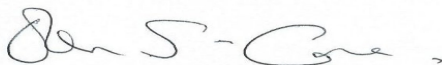
Quotations for purchases	Members of the council are still (since 2018) purchasing items and then seeking retrospective approval	This is contrary to the powers of councillors and must cease.
C	<i>This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these</i>	
SSEN grant	The council received a £20,000 resilience grant in October 2022 that was required to be used within 12 months.	The terms of the grant should be very carefully reviewed to ensure that the current timescale will be accepted by the provider.
D	<i>The budget resulted from an adequate budgetary process, progress against the budget was regularly monitored, the reserves were appropriate</i>	
Budget process	No budget appears to have been published in the year.	The budget is a public document and must comprise a page of the signed minutes.
Precept approval	When the precept was approved, no amount was minuted.	Clear controls over the amount being requested from residents are a requirement.
E	<i>Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for</i>	
Fete	The income generated at the fete is trading, much of which should be VAT standard rated. Once paid into the council account it is covered by the regulations.	Councils do not have the power to provide banking for other organisations. Fete income and expenditure are either fully integrated into the council or run through a non parish account.
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>	
PAYE	There is no evidence that the clerk in post at the start of the year correctly operated PAYE.	The council should continue using the external payroll provider now in contract.
Change in clerk	It is good practice to clearly minute the start date, rate of pay and hours of the clerk every year.	A key control over council finances is that paid wages agree with the employment contract.
H	<i>Asset and investment registers were complete and accurate and properly maintained</i>	
	The records of the council comply	with this test
I	<i>Periodic Bank reconciliations were carried out during the year</i>	
Bank statements	It appears that only one councillor had access to the bank statements. This is a weakness in control.	All members in rotation should check the third party statement back to the cash book balance.
Deposit accounts	The council holds almost all of its funds in a zero interest current account. This increases risk and reduces returns.	Those funds not required in the next three months should be moved to an interest bearing account.
J	<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>	
Prior year	The 2023 AGAR has still not been	The exemption certificate should be

AGAR	signed off by the external auditor due to numeric errors.	a summary of an AGAR form that is arithmetically correct, each year.
K	<i>Certified Exempt in prior year</i>	
	Not applicable to this council	
L	<i>Transparency Code</i>	
Website content	The council website contains most of the required information, but also items that have been superceded.	When a new permanent clerk is in post, the whole site should be reviewed.
M	<i>Public Rights</i>	
Members DPI forms	Following the uncontested election, every member of the council should have completed and submitted an updated DPI form.	Please add the link to the TVBC site to the Parish pages and ensure that the records are up to date
N	<i>Publication of prior year AGAR</i>	
2023 AGAR	Both the 2023 and 2024 returns are being sent to BDO for completion.	Once agreed with the external auditors, they should both be published.
AGAR approval	When the original version of the AGAR was minuted, the wording was not compliant with the requirements.	Please ensure that the AGAR approval and public rights dates are properly minuted this year.
O	<i>Trust funds</i>	
	The records of the council comply	with this test
P	<i>Borrowing</i>	
	Not applicable to this council	

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