

Do the Numbers Limited
37 Upper Brownhill Road
Southampton, SO16 5NG
3rd April 2023

Brendan Gibbs, Clerk
Olivers Battery Parish Council

Dear Brendan,

Subject: Review of matters arising from Internal Audit for 31 March 2023

Following my visit with you today, please find below the list of matters arising. I found the 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 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 parties | Working parties have no power to commit the council to expenditure. They have no power to purchase assets costing over £500 with no prior minute reference or approval. | The terms of reference of all working parties should be reviewed and updated to ensure compliance with legislation. |
| Minute detail | The minutes of the council are very long and include multiple items that are information or repetitions of past decisions as well as details of discussion. | As per LCA 13 th Edn Para 7.39 Minutes are formal records of official acts and decisions. They should not include discussion and should be short to aid clarity and accuracy. |
| C | <i>This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these</i> | |
| Risk assessment | The council has not updated its risk assessment since the change in clerk. | This is always good practice and should be done in advance of approval of the AGAR. |
| Policies | Some of the policies of the council have not been reviewed recently. | It is good practice to review a couple at each meeting in rotation. |
| Social Media Accounts | A Facebook page was set up for the council in 2022 but it is unclear who has administrator rights. | Please could the council bring all accounts under current officer control or delete them. |
| 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</i> | |

| | | |
|-------------------------------|--|---|
| | <i>authority's approvals, and PAYE and NI requirements were properly applied</i> | |
| Change in clerk | Then the clerk was recruited, there was not a clear minute stating hours, grade and terms. | This should be done every year as part of budget setting if necessary. |
| LGPS | The new clerk has not commenced LGPS contributions. | It is unclear whether the backlog will be met or contributions start from the new accounting year. |
| <i>H</i> | <i>Asset and investment registers were complete and accurate and properly maintained</i> | |
| Asset additions | An item purchased in the year had not been added to either the asset register or the insurance schedule at the start of the review. (also | Care should be taken to update both records whenever items that will need insurance cover are purchased. |
| <i>I</i> | <i>Periodic Bank reconciliations were carried out during the year</i> | |
| Payment listings in minutes | During the clerk handover, it appears that not all payments were minuted and sometimes descriptions did not make it clear what was being purchased. | Please ensure that a full calendar month of payments is approved at each meeting and reimbursement of expenses clearly states who and why and what. |
| <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> | |
| Lease renewal / land transfer | The council is in negotiation with the City council about a possible land transfer. | It may be worth OBPC paying for specialist advice to ensure all options are correctly handled. |
| <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> | |
| Members DPI forms | Some members did not update their DPI forms promptly during the year. | Before the AGAR approval, please ensure that records are up to date. |
| Public Rights | It is not clear whether the Public Rights notice was published on the website. | Please ensure that the dates are minuted and the notice web published |
| <i>N</i> | <i>Publication of prior year AGAR</i> | |
| Web publication of AGAR | The 2021/22 form was not uploaded in a timely manner upon submission to the external audit and return. | Please ensure that the requirements of s13 of the 2015 act are complied with |
| <i>O</i> | <i>Trust funds</i> | |
| | Not applicable to this council | |
| <i>P</i> | <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