

Do the Numbers Limited

4th June 2024

Amy White, Clerk
Highclere Parish Council

Dear Amy,

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.

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>	
Clerk's telephone	The phone number published by the council is owned by the clerk. This is not best practice.	The council should purchase a phone for council use (calls and authorisation codes) that it owns.
B	<i>This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for</i>	
Councillor attendance	The council has an ongoing issue with a high number of vacancies and apologies.	Over the summer, all parts of the community should be contacted and encouraged to engage
External audit	In 2023 the External auditor requested changes to charity disclosures	One of the charities spotted by BDO is in error by listing the PC as a trustee (see below)
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>	
Earmarked reserves	The earmarked reserves of the council have not changed since last year despite spending on the relevant items.	All EMRs should be reviewed at budget setting and year end to clarify what, when, where and how much.
General reserve	The general reserve of the council is 14 months of revenue expenditure, this is higher than the PG limit	Projects should be brought forward to the benefit of residents for these funds.
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
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>	
	The records of the council	comply with this test

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>	
	The records of the council comply	with this test
K	<i>Certified Exempt in prior year</i>	
	Not applicable to this council	
L	<i>Transparency Code</i>	
	The records of the council comply	with this test
M	<i>Public Rights</i>	
Members DPI forms	All DPI forms should be submitted after each electoral cycle and the details checked as up to date on an annual basis.	Please could all councillors, particularly longer standing ones, update their forms.
N	<i>Publication of prior year AGAR</i>	
AGAR approval	When the AGAR was approved, there was no clear minute of the sections. Please ensure that this year is done correctly. <i>(also raised last year)</i>	Please ensure that approval of sections 1 and 2 and the IA outcomes and the public rights dates are each clearly shown.
O	<i>Trust funds</i>	
Village Hall Charity	On the Charity Commission website, the PC is listed in error as a trustee of the Village Hall . The PC is the custodian trustee of the building and has no control over the Charity.	This disclosure disagrees with the published accounts of the charity (which are overdue). The VH trustees should bring their CC filing back into compliance.
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