Do the Numbers Limited

5th June 2024

Emma Freemantle, Clerk
Wroughton Parish Council

Dear Emma,

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

Following my visits to the office today earlier in the year, please find below the list of matters arising. Several of the points remain outstanding from previous years. These should be addressed by members as a matter of urgency.

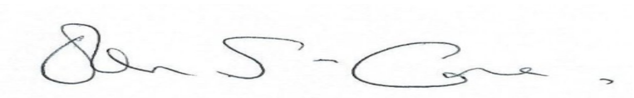
The internal audit was carried out in accordance with the requirements of the Audit and Accounts Regulations 2015 and the guidance and instruction in the Practitioners Guide 2024

Test	Matter arising	Recommended Action
A	*Appropriate accounting records have been properly kept throughout the financial year*	
Banking login	Dual authentication banking logins mean that codes are sent to the proper officer's personal mobile phone. *(also raised last two years)*	It would be better to link all such codes (including HMRC) to council a phone or device that is kept in the office.
Finance processing resource	The council has taken on extensive additional activities without increasing the office resource for keeping the financial reporting fully up to date and reconciled. The proper officer should be handling strategic matter, not keying invoices.	Following te staffing review carried out by LGRC, members should urgently action the recommendations and allow the Proper officer to contract sufficient hours per week of finance admin officer time to meet requirements.
Invoicing	It is unclear whether sales invoicing is fully up to date. It appears that purchase invoices are not entered on the ledger on receipt.	A better resourced finance team will be able to ensure transaction completeness, while leaving the Clerks free to carry out projects and oversight.
B	*This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for*	
Code of conduct	The current code of conduct in use by the council dates back to 2012, despite the LGA model having been updated in 2020 *(also raised last two years)*	The council is correctly aligning its code with SBC, but SBC have not kept their code up to date with best practice.
Deferred decisions	The council continues to defer decisions on agenda items. This increases resource use without improving services to residents. (*also raised last year*)	Members of the council should clearly minute the reasons why they are choosing not to accept the recommendations of the officers.
Minute approval	It is a legal requirement that every page of the minutes and the last page signed and dated when they are approved at the next meeting. WPC members have regularly failed in this requirement.	Before the AGAR is signed off, every single set of minutes should be checked for compliance by the chair of that committee.

Internal audit report	Several of the matters raised on the 2023 reports remain outstanding. *(also raised last two years)*	Members must fulfil their AGAR obligation to action audit reports, not just note them.
C	*This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these*	
	The records of the council now	comply with this test
D	*The precept budget resulted from an adequate budgetary process, progress against the budget was regularly monitored, the reserves were appropriate*	
Budget setting	The budget report in Rialtas cannot produce numbers and notes on the same page so a spreadsheet is used, increasing transcription risk. *(also raised last two years)*	Several other councils are facing the same issue. WPC should write to the software company and request that a more flexible report is made available.
Reserves	The council holds and is due to receive substantial CIL and s106 funds as well as a general reserve at the upper end of good practice.	Members should work with officers and the public to bring forward projects for the benefit of the community.
E	*Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for*	
Bank interest	The council holds the bulk of its funds in a sweep account that bears little interest. *(also raised last two years)*	The council should urgently move all but two months of expenditure into high interest accounts.
Savings accounts	The council agreed in February to open an account with CCLA but as at the audit date this had still not happened.	The council is losing at least £1000 per month in interest with these delays. Increased office resource will speed up actions.
Bad debts	There are some items in the debtors ledger that are not collectable.	Bad debts should be reviewed quarterly.
Allotment income complete	The customer codes for allotment holders do not include plot numbers making completeness checks difficult.	From 1st April 2024, customer codes should be by plot number not tenant name.
F	*Petty cash payments were properly supported by receipts, all petty cash was approved and VAT appropriately accounted for*	
Petty cash	The tin balance has not changed since January.	If the petty cash tin is no longer needed, it should be closed.
G	*Salaries to employees and allowances to members we paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied*	
Member officer protocol	It would appear that the officers are not able to fully close the office outside public hours.	A member officer protocol (good practice example) should be adopted and applied.
H	*Asset and investment registers were complete and accurate and properly maintained*	
Asset additions	The asset register at the year end did not include all assets purchased during the year.	The asset register should be checked against expenditure lists quarterly
I	*Periodic Bank reconciliations were carried out during the year*	
Bank reconciliation	When the bank balances are minuted, not all accounts have been included every month. *(also raised last year)*	Members should check that the reconciliation they approve includes all bank accounts.
Bank	There is no evidence that members	Members are responsible for

statements	are checking the bank reconciliation back to the third party statements. *(also raised last two years)*	safeguarding the funds of the council. They should urgently start to fulfil their legal obligations.
Investment strategy	It is now a requirement that all councils holding over £100k have a published and adhered to strategy.	A best practice example is here for the council to adapt and adopt.
J	*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.*	
Ellendune Centre Charity CIO	The council is now a tenant of the centre both in the office and the Library.	Financial support may be better made as grants in kind to cover significant expenditure.
K	*Certified Exempt in prior year*	
Not applicable to this Council		
L	*Transparency Code*	
Policies	The list on the website does not specify when each was approved. *(also raised last year)*	It may be beneficial to amend the link titles to include review dates.
M	*Public Rights*	
DPI forms	It is a legal requirement that members complete a DPI form. Only one member of the council has done so in accordance with the legislation. *(also raised last two years)*	Every member of the council should read and understand their responsibilities and then correct their forms. SBC are required to publish them promptly and fully.
Public rights dates	When the AGAR is approved, it is good practice to minute the dates of public rights.	This should be done from 2024 onwards.
N	*Publication of prior year AGAR*	
	The records of the council comply	With this test
O	*Trust funds*	
Ellendune Centre	The Charity has now ceased operating and the Centre now runs through the CIO. It has been agreed that WPC is now the sole trustee and all others have resigned but the changes have not been submitted to the Charity Commission.	The administrator of the Charity (the proper officer) should urgently log into the CC website and correct the trustee details. No letters are needed, it is all online by the incoming trustee.
P	*Borrowing*	
	Not 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,



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