

Do the Numbers Limited

37 Upper Brownhill Road
Southampton, SO16 5NG

16th May 2022

Lisa Walker, Clerk
Rowlands Castle Parish Council
11 The Green,
Rowlands Castle
Hampshire
PO9 6BW

Dear Lisa,

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

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 2022](#)

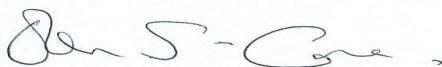
Test	Matter arising	Recommended Action
A	<i>Appropriate accounting records have been properly kept throughout the financial year</i>	
	The records of the council comply	with this test
B	<i>This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for</i>	
	The records of the council comply	with this test
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 council has some earmarked funds where the value is unchanged for several years. It is thus unclear whether the projects are still live.	Now that COVID restrictions have eased, projects should be brought forward where possible.
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>	
Savings account interest	At the start of the audit visit, interest received on and reinvested back into the savings account had not been included in the accounts.	Care should be taken to ensure that the bank reconciliation across all accounts agreed at least quarterly.

Unpaid invoices	The council keeps its records on an R&P basis but includes in the cashbook items for which FPS payments have been planned but not made. This is not compliant with the updated guidance.	R&P accounts will by their nature often be out of kilter with the date to which invoices refer. As the council grows it may need to switch to IE which would make the treatment of year end bills correct.
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>	
DPI web links	The web page of EHDC does not include the DPI forms of recent councillors.	This has been notified to them by the proper officer and should be rectified shortly.
N	<i>Publication of prior year AGAR</i>	
The records of the council comply with this test.		
O	<i>Trust funds</i>	
Parish Hall Charity	The council has chosen to support this COI by providing the service of an employed hall administrator.	This would appear to be an efficient way to ensure that the charity saves money and administration cost and the trustee ensures oversight.
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