

Do the Numbers Limited
37 Upper Brownhill Road
 24th May 2023

Rochelle Halliday, Executive Officer
 Fleet Town Council

Dear Rochelle,

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

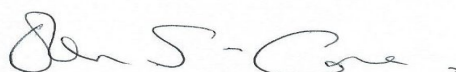
Following my visits to the office today earlier in the year, please find below the list of matters arising.

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 2023](#)

Test	Matter arising	Recommended Action
<i>A</i>	<i>Appropriate accounting records have been properly kept throughout the financial year</i> The records of the council comply	<i>with this test</i>
<i>B</i>	<i>This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for</i>	
Confidential minutes	All minutes of council decisions are part of the public record. Every agenda item should have a clear minuted decision in the public domain. Where no members of the public are present at a meeting, there should be no need for 'closed' session.	Discussion and briefing documents may remain unminuted, but decisions are public. Please ensure that the public minutes accurately reflect the outline of all decisions taken.
Financial regulations	The financial regulations state that all spending decisions for goods or services over £25,000 should go on contract finder.	Renewals of contracts and extensions of significant contracts should be minuted in such a way as to prove value for money.
VAT on sports fees	Following the Chelmsford Tribunal case, the council is eligible to reclaim all of the VAT paid across to HMRC on tennis, football and cricket pitch fees in the last 4 years.	These funds should be ring fenced towards improvement of the facilities for users. This change should be taken account at the next budget setting.
<i>C</i>	<i>This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these</i>	
Burial records	The council maintains its burial book online and it appears that a printed summary of the burials register has not been incorporated into the book in recent years.	For resilient long term record keeping, a version of the register that can be checked without access to power or the software should be maintained.
<i>D</i>	<i>The budget resulted from an adequate budgetary process, progress against the budget was regularly monitored, the reserves were appropriate</i>	
Harlington Reserve	Changes in interest rates mean that the original Harlington rebuild plan will not proceed, but the current plans will make good use of this earmarked reserve.	Once the current lease negotiations are concluded, this reserve can be brought in to use for works on the building.

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>	
	The records of the council comply with this test.	
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>	
Payroll budget	All discussion of Staffing has taken place at the Establishment committee and clear public minutes not always kept.	Items such as the total staffing budget and specifications for new roles should be public.
H	<i>Asset and investment registers were complete and accurate and properly maintained</i>	
Asset register	The asset register is now on Rialtas which has highlighted multiple old and low value items.	Over the coming months obsolete and low value items can be written off the register.
I	<i>Periodic Bank reconciliations were carried out during the year</i>	
Current account balance	The council holds significantly more in its current account than is prudent. The council spends on average £65k per month.	The current account should hold no more necessary. Three months of revenue expenditure would mitigate risk.
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 Fleet Town Council	
L	<i>Transparency Code</i>	
Web policies and documents	Not all of the documents published on the main sections of the website are up to date	Members of the council should review the website to ensure that published documents are up to date.
M	<i>Public Rights</i>	
DPI forms	The DPI link to the office of the HART monitoring officer is broken.	Please ensure that HDC upload and publish all forms.
DPI redaction	Only the monitoring officer can agreed to redact information in a DPI form.	Please ensure that the full forms are sent to HDC for publication
N	<i>Publication of prior year AGAR</i>	
	The records of the council comply with this test.	
O	<i>Trust funds</i>	
	Not applicable to Fleet Town Council	
P	<i>Borrowing</i>	
	Not applicable to Fleet Town 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,



Eleanor S Greene

Do the Numbers Limited
37 Upper Brownhill Road
Southampton
SO16 5NG
19th October 2022

Rochelle Halliday, Clerk
Fleet Town Council
The Harlington Centre
Fleet, GU51 4BY

Dear Rochelle,

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

Following my visit to the office today, please find below the interim list of matters arising. I found the records of the council to be in extremely good order and that the review went well.

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>	
Invoice approval	The procedure for approving invoices in advance of payment contains duplication.	Each stage of each procedure should be reviewed and where possible streamlined
Batch payments	At present the Rialtas system combines multiple supplier payments into a single back value that appears on the standard reports and the bank statement	It may be possible to alter the system so that payments are sent individually – making both the ledger entries and bank statements more transparent.
Purchase invoice filing	PDF electronic storage of purchase invoices is permitted both by HMRC and good practice	To significantly reduce the storage space taken up by invoices, and to speed up searching for invoices, this should be done.
B	<i>This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for</i>	
Agenda papers	It is not a requirement for lists of receipts to be published in the agenda packs. Also raised last year	The paper pack can be reduced by the removal of these pages.
Budget reporting	Due to the size of the council the full budget report is large and complex.	Providing the summary report with detail of requested cost centres may aid transparency.
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>	
	Not covered at this visit	
E	<i>Expected income was fully received, based on correct prices, properly recorded and</i>	

	<i>promptly banked; and VAT was appropriately accounted for</i>	
Event accounts	The balance of ticketed events is held in the balance sheet until they are settled. With COVID, some events have been delayed multiple times.	Those events that are definitely complete should be released to the I&E without delay.
F	<i>Petty cash payments were properly supported by receipts, all petty cash was approved and VAT appropriately accounted for</i>	
The records of the council comply with this test.		
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>	
Asset register	The fixed asset register of the council is now an up to date and accurate record.	To assist its maintenance, it may be worth adding the Fixed Asset module to Rialtas.
I	<i>Periodic Bank reconciliations were carried out during the year</i>	
Current account balance	The council holds significantly more in its current account than is prudent.	The council spends on average £65k per month. The current account should hold no more necessary.
Savings account balances	At present the bulk of the Council's reserves – some of which may not be drawn down for some time – are held in low interest savings accounts.	With interest rates rising, a spread of notice periods and returns should be used to enhance security and generate a little return
Long term funds	Parts of the councils reserves are only likely to be drawn upon with several months notice.	These could be invested in a fund such as that run by CCLA to generate returns
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 Fleet Town Council		
L	<i>Transparency Code</i>	
Not tested at this visit		
M	<i>Public Rights</i>	
Not tested at this visit		
N	<i>Publication of prior year AGAR</i>	
The records of the council comply with this test.		
O	<i>Trust funds</i>	
Not applicable to Fleet Town Council		
P	<i>Borrowing</i>	
Not applicable to Fleet Town Council		

Please find attached my invoice for the interim fee.

If either you or your members have any queries, please do not hesitate to contact me.

Regards,



Eleanor S Greene

Do the Numbers Limited
37 Upper Brownhill Road
Southampton
S016 5NG

25th January 2023

Rochelle Halliday, Executive Officer
 Fleet Town Council
 The Harlington Centre
 Fleet,
 GU51 4BY

Dear Rochelle,

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

Following my visits to the office today and last year, please find below the interim list of matters arising. I found the records of the council to be in extremely good order and that the review went well.

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
<i>A</i>	<i>Appropriate accounting records have been properly kept throughout the financial year</i>	
Purchase invoice filing	PDF electronic storage of purchase invoices is permitted both by HMRC and good practice	Invoices received on paper that have then been scanned and linked to the digital ledger need not be kept on paper.
Credit card statements	The credit card statements and supporting documents are on paper.	This should be continued as they are effectively bank statements.
<i>B</i>	<i>This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for</i>	
Agenda papers	It is not a requirement for lists of receipts or full cashbooks to be published in the agenda packs. Also raised last year	The paper pack can be reduced by the removal of these pages.
Confidential minutes	All spending and contract decisions of the council should be publicly recorded.	Where contracts are discussed in closed session, the name of the winner and the value should be included in the public minutes.
<i>C</i>	<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 does not appear to have updated its web published Risk Assessment since the change in Proper Officer.	It is good practice to review risks whenever there are significant staff changes, particularly in the Finance team.
<i>D</i>	<i>The budget resulted from an adequate budgetary process, progress against the budget was regularly monitored, the reserves were appropriate</i>	
Budget	The budget presented to council for	Great care should be taken to

reporting	precept setting was based on a spreadsheet to allow the options to be shown.	ensure that the agreed budget and all in year budget monitoring are included in the Rialtas software linked to actual figures.
<i>E</i>	<i>Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for</i>	
Event accounts	The balance of ticketed events is held in the balance sheet until they are settled. With COVID, some events have been delayed multiple times.	Those events that are definitely complete should be released to the I&E without delay.
<i>F</i>	<i>Petty cash payments were properly supported by receipts, all petty cash was approved and VAT appropriately accounted for</i>	
The records of the council comply with this test.		
<i>G</i>	<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>	
Detailed payroll report	The nature of the council means that there are starters and leavers every month. The full payroll report should be checked every month.	Please ensure that the March year to date report is also sent to the Internal Auditor for checking.
Staff timings	The council has multiple casual and shift staff and officer time is expended logging shifts and sick leave and holidays.	It may be beneficial to purchase one of the automation systems that would allow efficient and effective staff management.
<i>H</i>	<i>Asset and investment registers were complete and accurate and properly maintained</i>	
Asset register	The fixed asset register of the council is now an up to date and accurate record.	To assist its maintenance, it may be worth adding the Fixed Asset module to Rialtas.
Asset valuations	The council has been matching the asset register and equipment inventory to Insurance values each year which is not required.	Assets should always be recorded at historic cost in the accounts. Councils are allowed to use self insurance for some assets and inventory items may be more usefully grouped than itemised.
<i>I</i>	<i>Periodic Bank reconciliations were carried out during the year</i>	
Current account balance	The council holds significantly more in its current account than is prudent. The council spends on average £65k per month.	The current account should hold no more necessary. Three months of revenue expenditure would mitigate risk.
Savings account balances	At present the bulk of the Council's reserves – some of which may not be drawn down for some time – are held in low interest savings accounts.	With interest rates rising, a spread of notice periods and returns should be used to enhance security and generate a little return
Long term funds	Parts of the councils reserves are only likely to be drawn upon with several months notice. These could be beneficially invested until needed.	These could be invested in a fund such as that run by CCLA to generate returns
<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>	

The records of the council comply with this test.		
<i>K</i>	<i>Certified Exempt in prior year</i>	
Not applicable to Fleet Town Council		
<i>L</i>	<i>Transparency Code</i>	
Web policies and financial documents	Not all of the documents published on the main sections of the website are up to date (eg AGAR External Audit certificate and Asset register)	Members of the council should review the website to ensure that published documents are up to date.
<i>M</i>	<i>Public Rights</i>	
	Not tested at this visit	
<i>N</i>	<i>Publication of prior year AGAR</i>	
The records of the council comply with this test.		
<i>O</i>	<i>Trust funds</i>	
Not applicable to Fleet Town Council		
<i>P</i>	<i>Borrowing</i>	
Not applicable to Fleet Town Council		

I will return to the council in May to complete my review.

If either you or your members have any queries, please do not hesitate to contact me.

Regards,



Eleanor S Greene