

**Do the Numbers Limited**  
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**22<sup>nd</sup> May 2019**

Amanda Jobling, Clerk  
Hamble Le Rice Parish Council  
Memorial Hall, 2 High Street  
Hamble-le-Rice  
Southampton, SO31 4JE

Dear Amanda,

**Subject: Review of matters arising from Internal Audit for 31 March 2019**

Please find below the list of matters arising from my visits to the office today and earlier in the year. Overall I found the records to be in very good order and systems are again improved since last year.

<b>Control area</b>	<b>Issue</b>	<b>Recommended Action</b>
Members DPI forms	The council has links to the forms on its own website, but as the monitoring officer is not displaying their accepted version, control is not complete.	The Monitoring officer should be requested to upload the relevant DPI forms to their own website without further delay <i>(also raised last year)</i>
Minute detail	The minutes are improving in focus, but the emphasis should remain on recording decisions not discussion.	As per CAB 10 para 7.36, minutes should not include excess detail or names of individual speakers.
Leases and rentals	The council has several small leases, the terms of which have not been reviewed and checked for some time.	Funds have been made available to carry out this review which will assist the council in meeting its legal obligations to electors.
Fixed asset register	The fixed asset register now tracks back to the accounts and is summarised to the point of becoming a useful planning tool.	The register should be uploaded to the website in accordance with the transparency code <i>(also raised last year)</i>
Committee and Confidential minutes	At the audit visits, not all of the minutes of committees and of confidential minutes from Council meetings had been correctly signed or filed.	Minutes should be printed as soon as they are ready. Those that are not confidential should be uploaded to the website within 30 days. All unsigned minutes should be kept with the minute book so that they can be signed at the next appropriate meeting and then filed right away.

Bank deposits	At present the reserves of the council are all in accounts which earn less than 0.5% interest. <i>(also raised last year)</i>	While seeking investment income is not the prime aim, some accounts – such as the <a href="#">CCLA PSDF</a> – offer better return with similar security.
Wages records reconciled to accounts	There was a timing difference at the end of last year on the wages that was not accrued so 18/19 had 13 months of wages in the accounts. The wages journals appear not to have been reconciled against the PAYE reports during the year.	The payroll bureau should always provide year to date reports so that on a quarterly basis, the figures in the Rialtas ledger can be exactly reconciled back to the payroll. This will mean that the year end figures can be relied on prior to audit testing.
Inquorate meetings	Meetings which were cancelled due to being inquorate were not clearly recorded in the minutes file.	Clear records of meetings where decisions had to be deferred should be kept on the web and in the minute file to prove to electors that the council is operating in a transparent manner.
Management Accounts	The management accounts produced during the year were not generated from the Rialtas software (nominal codes were not linked, proving such) reducing transparency and increasing transcription risk.	All of the required reports can and should be generated directly from the software. This should be done on a quarterly basis, so that the year end is just another quarter.
Earmarked reserves	The council has completed one of its significant reserves projects in the year which was not reflected in the management accounts.	When the reports are being produced from the ledger system, care must be taken to ensure that the reserves accurately reflect the situation.

Please find enclosed my invoice for the agreed fee. If either you or your councillors have any queries, please do not hesitate to contact me.

Regards



Eleanor S Greene