

# Do the Numbers Limited

25<sup>th</sup> April 2025

Belinda Baker, Clerk  
Headbourne Worthy Parish Council

Dear Belinda,

## **Subject: Review of matters arising from Internal Audit for 31 March 2025**

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 2025](#)

Test	Matter arising	Recommended Action
A	<i>Appropriate accounting records have been properly kept throughout the financial year</i>	
Accounting software	The council has moved its ledger system to Scribe which allows electronic storage of invoices.	This would reduce the amount of paper needed and allow remote checking of invoice content.
B	<i>This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for</i>	
Draft minutes	The draft minutes for the February and March meetings were not in the file as at the date of audit.	Where possible draft minutes should be published within 30 days of meetings.
Working Parties	Working parties have no power to make decisions or bind the council into any action. They cannot approve contracts or transactions. Working Parties cannot agree changes in investments or appoint an investment manager.	All decisions must be made at a properly convened meeting of the council. Ratifying decisions made ultra vires does not remove the original illegal behaviour. Working parties can ONLY provide suggestions to council.
Committees	At present the two committees of the council are based on geographic areas.	In time a more normal activity based committee structure may be introduced
Quorate meetings	The council still only has seven elected members despite the significant increase in electors. This is stretching resources and limiting elected democracy.	It appears that WCC do not intend to add more elected members, despite a more forward thinking approach working well in <a href="#">counties like Oxfordshire</a> (also raised last year)
Contracts	The council entered into a contract with an investment adviser and moved significant funds without any minuted approval.	This should never happen again. A clear minute of the terms and fees of the appointment must be made before the AGAR is signed.
C	<i>This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these</i>	
Investment policy	The investment strategy of the council includes day to day management information which means it is not able to stand the test of time and changes in investments.	Please revisit the document to separate strategy from quarterly investment reports – which must be included in the minutes.
D	<i>The budget resulted from an adequate budgetary process, progress against the</i>	

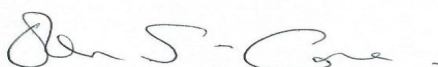
	<i>budget was regularly monitored, the reserves were appropriate</i>	
General reserve	The parish has no control over the number of house completions in any year so its reserves fluctuate significantly,	Close management of precept driven reserves remains essential while the commuted sums are being received.
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>	
HMRC software	The payroll software currently runs on the Clerk's own computer rather than that of the council.	From April 2025 a fresh set of software should be run on the computer owned by the council.
H	<i>Asset and investment registers were complete and accurate and properly maintained</i>	
Fixed asset investment	At the start of the audit the L&G term deposit had been treated as a bank account.	Only the CCLA deposit fund is eligible for that treatment. All funds invested with Cube should be held as investments at historic cost.
I	<i>Periodic Bank reconciliations were carried out during the year</i>	
Bank reconciliation	The Scribe software produces a report that meets the requirements.	The bank reconciliation should be a system report each month.
Payment listing	The Scribe system produces a list of payments for approval.	This report should be included in the minutes rather than retyping.
Investments	The council will be receiving more commuted sums. A proper process of getting quotes from investment managers with regular reviews must happen from now on.	Before any more commuted sums are invested, proper transparency, governance and accountability should be applied.
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>	
	The records of the council now	Comply with this test
N	<i>Publication of prior year AGAR</i>	
	The records of the council now	Comply with this test
O	<i>Trust funds</i>	
	Not applicable to this council	
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



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Registered in England No. 7871759

Director: Eleanor S Greene