

# *Do the Numbers Ltd*

## *Internal Audit Information 2022/23*

### **Who are Do the Numbers Ltd?**

- A company led by Eleanor Greene BSc Hons ICPA who has been auditing Parish Councils since 1997.
- Qualified with ACCA in Private Practice and then worked for the Audit Commission.
- Following ten years as Company Secretary of Hampshire ALC, Eleanor was for three years Secretary of the Hampshire SLCC as an Associate member and is a founder member of the [Internal Audit Forum](#) , so is up to date with sector developments.
- The company is in regular communication with the External Auditors ([PKE](#) for much of the country until 2022), as was the case with the three previous primary contract holders (BDO, District Audit and the Audit Commission).
- The company holds £150,000 of Professional Indemnity Insurance linked to the practising certificate.
- When not dealing with local Councils, Eleanor acts as the independent examiner for several charities and has a tax practice covering individuals, partnerships and small companies.
- Therefore the company understands HMRC systems and compliance and the differences between Parish, Charity and Company law.

### **What does the Internal Audit process comprise ?**

Every council will get a visit to their office / the Clerk's place of work between the 31<sup>st</sup> March year end and late June to review the controls and systems and to sign the AGAR (annual return) in good time for the 30<sup>th</sup> June submission deadline.

Larger councils – whose operations and systems are more complex – get extra visits spread through the year between October and March, to allow a thorough review of all activities to take place.

Every council, no matter how large or small has unlimited email support throughout the year.

Communication is primarily with the proper officer, but sometimes also with the Chairman. There is no such thing as a 'stupid' question the first time it is asked – it is always better to ask during the year so that matters are handled correctly in the first instance.

### **Fees**

The Internal Audit Fee scale for 2022/23 is set on the same basis as that for external audit – bandings based around total income or expenditure - as a proxy for the complexity of the council.

There is a fee of £75 for any aborted visit or for any visit cancelled at less than one week notice. It is likely that no council will ever have to pay this as our systems include a clear schedule of documentation and actions to have been completed prior to the visit.

The issue of notice periods primarily applies to small councils where we are keeping your fees down by visiting more than one parish in a day.

When your quote is provided, your likely fee will be confirmed in writing. Quotes come with no obligations.

All engagements are on a “good till cancelled” basis. Councils are not locked in to more than one year.

### **Audit Calendar**

Showing what main audit related actions the council should have undertaken during the year;

<i>April</i>	Complete Cash book for prior year, ensure bank reconciliation to 31 March complete and approved by council.
	Prepare draft annual return figures.
<i>May</i>	Internal Audit visit – approve IA report at full council including action to be taken.
	Ensure all RTI submissions complete for year – take a copy of annual summary.

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<i>June</i>	Complete AGAR and submit with all required paperwork to External Auditor
<i>July</i>	Review Standing orders and Financial Regulations
<i>August</i>	Review all policies, especially Data Protection, schedule update approvals
<i>September</i>	Review Risk Assessment as per guidance in Governance & Accountability
<i>October</i>	Receive completed external audit, report to full council and act on any points raised
<i>November</i>	Start preparing the budget through monitoring of expenditure and requirements
<i>December</i>	Finalise budget and complete approval of updated policies
<i>January</i>	Submit Precept request. Include final budget in signed minutes and clearly minute the Precept amount.
<i>February</i>	Review fixed asset register to bring up to date, review Transparency Code
<i>March</i>	Review supporting statement to year end accounts – debtors, tenancies, leases, contingent liabilities.

### **Paperwork / electronic document schedule**

This is the list of information that the Internal Auditor will need to check to assure themselves of the tests listed on the Internal Audit Statement on the [AGAR](#).

Some of the items may not be applicable to very small parishes but all are part of a good internal control environment.

Ideally provide copies of starred (\*\*\*) items for the IA to put in their file – this will save accidentally marking your originals.

All items marked “T” should be published on the council website under the [Transparency codes](#).

- Minute book – master copy including agenda papers, subcommittees and confidential (T)
- All invoices and receipts to 31 March (*electronic PDF files are permitted*)
- Bank statements for all accounts including loans and investments – to 31 March
- Bank reconciliation for all accounts as at 31 March (T)
- Cheque book stubs / Paying in books
- Petty cash records and reconciliation
- Insurance Schedule – including vehicles
- Wages – evidence of RTI and Pension submissions, P60 for all staff, P45 for leavers
- VAT reclaim or return to 31 March
- Burial register, memorials register
- Last year's Internal and external auditor reports and annual return (T)
- Register of Members' interests ( *link to Monitoring officer page is best* ) (T)
- Financial regulations / Standing Orders / Risk Assessment – as reviewed in year (T)
- Budget for the following year – as approved in year (T)
- Review of variances between cash book and budget for the current year. (T)
- Review of leases, tenancies, contingencies and other agreements
- Income & Expenditure (R&P for small councils) to 31 March, showing comparatives (\*\*\*) (T)
- Balance sheet at 31 March – showing comparatives (\*\*\*) (T)
- Fixed asset register as at 31 March, checked against the Insurance schedule (T)
- Trade Debtors and prepayments listing (\*\*\*)
- Trade Creditors and Accruals listing (\*\*\*)
- Analytical review of variances for section 2 of Annual return (T)

The list looks very long written out like that but every organised clerk is actually already doing all of this – they just may not think of it in those terms.



Eleanor Greene ICPA  
for Do the Numbers Ltd