



Mark Tredwin
Town Clerk
Ilminster Town Council
Old Magistrates Court
East Street
Ilminster
TA19 0AJ

8th November 2023

Dear Mark,

Interim Audit Cover Letter

An audit was carried out by Kevin Rose on Monday 30 October 2023. This was the interim internal audit, part of the annual internal audit coverage of the Council. Prior to the audit a 'Pre-Audit' was carried out remotely which tested items which are required to be published on the Council's website.

The audit was undertaken using the standard IAC Audit Checklist, that we use for all Local Councils, which has 202 items. A total of 129 items were tested during this audit, including items that were examined and tested as part of the pre-audit process. The balance of 73 items will be checked during the Year End audit.

The following 'Internal Control Objectives' of the Annual Internal Audit Report (part of the AGAR) were checked and confirmed as being Not Applicable to your Council for this financial year.

- Exemption from External Audit (Box K)*
- the Transparency Code (for Smaller Authorities) (Box L)*
- Trust Funds (Box O)*

Areas subject to audit were;

- the Accounting system and records (Box A)
- the Payment system (Box B)
- Risk and insurance (Box C)
- Budget and precept setting and monitoring (Box D)
- Income billing, collection and VAT (Box E)
- Petty cash (Box F)
- Bank reconciliations (Box I)
- Accounting Statements (Box J)
- the Exercise of Public Rights (Box M)
- the Publication of the Annual Governance and Accountability Return (Box N)

Of the 107 applicable items tested a Positive response was obtained in respect of 93 tests. There were 14 Negative responses identified and 15 Observations were made, details of which are set out in the attached Interim Internal Audit Observations.

Summary of tests undertaken during this audit

Positive response	93
Negative response	14
Not Applicable to your Council	22
Total tests carried out	129

Unfortunately there were 2 Non-Compliances identified during the audit and the Council should consider these in detail as they will result in a Negative response on the Annual Internal Audit Report. The two non-compliances both relate to the Exercise of Public Rights, the first issue was that the Announcement date was on the same date as the Annual Governance Statement was approved. The second issue was that the period set was for 32 working days and not the statutory 30 working days. As a consequence of these issues the Council will need to return a Negative response to Assertion 4 of the 2023-24 Annual Governance Statement.

One additional matter that I would particularly like to draw to the Council's attention is the review of Risk. It is a requirement of the Annual Governance Statement and Annual Internal Audit report to confirm that a review of Risk has been carried out during the financial year. As at the date of the Interim audit this has not yet been done. The Council must ensure that such a review is conducted and formally recorded in the Minutes prior to the end of the financial year.

I would like to express my thanks for the assistance provided to me during my audit.

Yours sincerely,



Kevin Rose ACMA
Director