

**Committee: FULL COUNCIL**

**Date: 21 June 2022**

**Title: Internal Auditor's report 2021/22**

**Purpose of Report**

For members to receive and accept the Internal Auditor's report

**Recommendation:**

Members are asked to formally note both of the internal auditor's reports and resolve to approve the Town Clerk's responses to both the Interim Report and the End of Year Report for 2021-2022.

**Background:**

1. The Internal Audit is an important part of the council's governance and managerial framework and, as such, it is important that the town clerk takes responsibility for any observations and recommendations arising from the internal auditor's visits.
2. Mr Kevin Rose from IAC Audit and Consultancy Ltd was appointed by Full Council as the Council's auditor for the first time at its Full Council Meeting on 15 February 2022 for a period of 3 years. **(Minute 1166)**.
3. In his proposal to the council Mr Rose estimated that he would need two days per year to carry out his audit, which would include a visit after Year end to conclude the arrangements in respect of the year end. He visited the offices on the 22 April and on the 1 June 2022 when he completed his end of year checks.
4. The internal auditor's remit is to establish there is proper book-keeping, risk management arrangements, bank reconciliation and year end procedures, and controls area in place for payments, budgets, income, petty cash and assets.

**Report**

5. Mr Rose carried out his first visit to the Council on the 22 April 2022 and this visit and his subsequent Interim Audit Observations were reported to members at the 26 April Full Council Meeting. The interim report observations along with the town clerks' comments have been provided in **Appendix 11A**.

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6. Following his visit on the 1 June 2022 Mr Rose issued a “Year End Internal Audit Observations” report. **Appendix 11B.**
7. In the report 8 observations were made of which Mr Rose identified four high priority and 4 medium priority observations. As required by the town clerk has made comments on each of these observations and these can be seen in the provided **Appendix 11B.**
8. In respect of two of the observations, information has been provided to Mr Rose to show that we had in fact complied with the Audit test and this is noted in my comments. These were observations **D1** and **G1** and if members wish to review a copy of the information sent to Mr Rose, they are welcome to contact the Clerk who will provide it to them.
9. Action is being taken at this meeting to address observations **B1, E1, H1** and **H2**, any other observations will be addressed in the coming months.
10. Members are asked to formally note both of the internal auditor’s reports and resolve to approve the Town Clerk’s responses to both the Interim Report and the End of Year Report for 2021-2022.

**Mark Tredwin**  
**Town clerk**  
**June 2022**