

In-year Internal Audit Report

(to be read in conjunction with Section 4 of the Annual Return)

Name of council:	Raunds Town Council		
Name of Internal Auditor:	John Marshall	Date of report:	24.01.2016
Year ending:	31 March 2016	Date audit carried out:	21.01.2016

Internal audit is the periodic independent review of a Council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the Council's control. Managing the Council's internal controls should be a day-to-day function of the staff and management and not left for internal audit.

The Council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.

To the Chairman of the Council:

I carried out an interim ie in-year audit of Raunds Town Council on 21 January; thanks are due to Kate Houlihan, Clerk to the Council and her staff for their time and assistance.

In my Report of 12 June 2015, issued following last year's audit, I drew attention to 2 issues viz the desirability of confirming details of the Council's registered titles held with the Land Registry and the need to scrutinise the amount of and *rationale* for the earmarked cash reserves held by the Council. I am pleased to note that both items have been completed and that the outcomes from both exercises have apparently been of benefit to the Council. BDO, as External Auditor raised no issues last year.

At this visit, we discussed the arrangements that the Council has put in place to manage salaries and pensions, especially in the light of the imminent changes to statutory pension arrangements; I was satisfied that the arrangements that the Council, through its Personnel Committee has put in place are adequate and suitable.

We also discussed cash handling. The cash sums involved (arising from market stall holders' rent and occasionally, Saxon Hall booking fees) are relatively small. Whilst the arrangements for banking these cash receipts are fit for purpose and whilst bad debts, predominantly from the latter income stream are infrequent, there is scope to consider whether more payments could be moved to online (pre-)payment, thereby improving the certainty of income and providing an efficiency gain in terms of reduced work in the chasing and writing-off of bad debts.

The Council continues to demonstrate above average standards of compliance and performance in matters of governance and I look forward to meeting with Kate later in the year to conduct the statutory year-end audit.

John Marshall
Internal Auditor to the Council
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