

## Internal Audit Report

Name of council:	Raunds Town Council		
Name of Internal Auditor:	John Marshall	Date of report:	25.01.2018
Year ending:	31 March 2018	Date audit carried out:	25.01.2018

*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. This report is based on the evidence examined and made available to us. It would be incorrect to view internal audit as the detailed inspection of every record and transaction of the Council in order to detect error or fraud. Consequently the report is limited to those matters set out below.*

***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 in-year audit of the Council on 25 January. I met with Kate Houlihan, Clerk to the Council and would take this opportunity to thank Kate for her time and assistance. The last year has been one of significant achievement and development for the Council, with the award of the Gold Standard of the Local Councils Award Scheme and the successful adoption of the Raunds Neighbourhood Development Plan for which the Council should be congratulated.

The Gold Standard is the hallmark of best practice and excellence in governance and my pre-audit confirmed that to be the case. That said, I did identify one aspect of the Council's internal controls procedures where a relatively minor change would improve the standard of reporting, particularly in respect of compliance with your Financial Regulations and transparency. Whilst I am satisfied that the policy and processes for scrutinising payments and verifying bank reconciliations set out in the Policy for Financial (Internal) Control are sound and robust, your Financial Regulation 2.2 requires that *'This activity shall on conclusion be reported, including any exceptions to and noted by the Finance Committee'* and this is not currently being explicitly recorded by way of a minute. This is not pedantry, rather it will enable you to provide evidence of the application of your internal controls and compliance with Financial Regulations, should this be requested by an absent third party such as the External Auditor.

Notwithstanding that, I have no concerns regarding the arrangements for financial management and governance and the Council continues to demonstrate that it is well organised and managed to deliver its core business and activities to a high standard.

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Internal Auditor to the Council  
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