

# Internal Audit

<b>To consider the internal audit report and to make appropriate plans to address its recommendations</b>
<p><b>Recommendation:</b></p> <ol style="list-style-type: none"> <li>1. That committee incorporate the responses of the Town Clerk and their recommendations into the forward plan of work for the Budget and Administration Committee.</li> </ol>

	Yes	No
Does the decision involve new expenditure?		No
Is there an existing budget for the proposed expenditure (insert code)	N/A	
What procurement level is required?	N/A	
Are there equalities impacts / an equalities assessment required?		No
Does this require a full council decision? (Reports for full council decision should still be sent to the relevant committee where possible.)	Yes	
Is there a background paper or papers? (provide links below).	Yes	
<ol style="list-style-type: none"> <li>1. The Town Clerk's response to the Internal Audit report appears on the next page; committee is invited to consider it.</li> </ol>		
<p><b>Issues arising from proposal:</b></p> <ol style="list-style-type: none"> <li>1. Budgetary implications may arise if it is determined that the Asset Register should be computerised.</li> </ol>		
<p><b>Rationale for recommendation:</b></p> <ol style="list-style-type: none"> <li>1. The Town Clerk is also Responsible Financial Officer and it is their role to advise council as to the way in which financial records should be kept to meet the required standard.</li> </ol>		

Item reference	Issue	Response	When/ How
3(a)	Reporting of fixed assets - not always maintained in timely fashion but easily updated	Should asset register be part of accounting system?	Town clerk to prepare quotes and estimates of time required to incorporate assets into accounts system.
3(b)	Purchase orders either not prepared or incomplete	RFO to reinforce existing procedure and to do sampling during the year.	Report back to committee in Q3.
3(b)	Reconciliation of invoice to PO	RFO to reinforce existing procedure and to do sampling during the year.	Report back to committee in Q3.
3(h)	Recording of interest from bank accounts	Difficult to record as opposed to estimate – RFO to investigate how other councils do this.	Report back to committee in Q4.
3(h)	Bank accounts not reconciled at year end	Investigate how to obtain year end as opposed to statement end balances.	Report back to committee in Q4.
3(i)	Bank reconciliations not dated	RFO and Assistant to check councillor reviewing reconciliations properly dates them.	Monitor performance.