

## Agenda Item 7

# Report of the Internal Auditor

### Matters Arising:

1. All question and queries raised have been answered satisfactorily.
2. Figures for inclusion in section 2 of the Annual Return are agreed and page 5 has been signed.
3. All adjustments on final sheet of Payments (Cash Book) are agreed as per explanations.
4. There is a significant level of vacancies at Lower Clough Allotments.
5. Car Mileage claims to include more detail of journeys undertaken.
6. Where errors and omissions are identified by the monthly Bank Reconciliation, these should be amended in the month in which they occur.
7. Suggest that the income and expenditure of the Luncheon Club be included in the Cash Book gross. i.e. Cost of provisions included rather than netting it off income collected.
8. Where the Council decide to waive Standing Orders when letting a Contract, this should be Minuted and the reasons for the decision identified and included in the Minute.

### Amendments to Procedure Needed:

Items 1-3 are self-explanatory and need no amendments to procedures.

4. This has been a problem for several years; there are two possible ways forward vigorous advertising and promotion with possible reduced rent levels for the first year.
5. Improved recording of journeys undertaken mandatory to payment of expenses.
6. In previous years all errors and unapproved payments e.g. Utility direct debit payment before the payment has been approved at a meeting have been carried forward to the year end. Most solve themselves when the payment is approved at the following meeting, with only direct debits for which no bill has arrived or cheque discrepancies being carried forward to the year-end adjustments for approval. Doing this monthly will not cause any problems and will be done for the financial year 2016-17.
7. Although the Luncheon Club accounts show all expenditure for provisions and the gross income from attendee's only the net total for the luncheon club has been shown in the accounts. From 2016-17 both the income and expenditure accounts will show a contra payment reflecting the cost of provisions and the same amount in income in the income book.
8. This will be necessary the council awards larger contracts for work without going through the tendering process.

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### **Recommendations:**

The Clerk recommends that the Council approve the Internal Auditors report and that the Matters Arising be dealt with by the amendments to procedure highlighted with the Clerk.