

Synopsis of the duties of the internal auditor

Proper book-keeping: the internal auditor is trying to check that the verification within the system has been undertaken.

Financial Regulations: a) Standing orders b) Payments controls: the internal auditor should check annually that such an analysis is kept and that the cash limit in section 137 is not exceeded.

Risk arrangements: Minutes should be checked by the internal auditor for any suggestion of unusual activity and evidence that risks are being identified and managed.

Budgetary controls: Internal audit will verify that a budget has been properly prepared and adopted in setting the Precept.
Part of budgetary control is to ensure adequate but not excessive reserves or balances'

Payroll controls: The council needs to have a letter from the Revenue confirming that arrangements to their satisfaction have been made for the particular employee. The internal auditor will be required to verify that evidence each year as part of the annual statement forming part of the annual return.

Asset control: The internal auditor will be interested in seeing that there is evidence that the continuing existence of these assets is checked on a regular basis. This verification should include confirmation that insurance cover is sufficient.

Bank reconciliation: It may be appropriate for the year end balances and their reconciliation to be checked in detail.

Year-end procedures: The internal auditor will be looking to see that the appropriate accounting basis is used. Internal audit would not be expected to check all figures but would probably verify a small sample and the totals.

What should be clear from the above expansion of the guidance on the annual return is that the internal auditor is trying to observe and report whether the system of financial control put in place by management is adequate and working satisfactorily'

Any report by the internal auditor is addressed to the council, may suggest actions by the council' and should be treated as a document open to view by a local government elector'
The council's internal auditor will have a role in reviewing the effectiveness of control measures that council decides to put in place.

I have audited the accounts as per the above duties

Signed Patrick A. J. Hall Dated 19-04-2017