

# **KENDAL TOWN COUNCIL**

## **Audit, Grants and Charities Committee**

**Monday, 16th February 2009**

**PRESENT:** Councillors Chris Mayho (Chairman), Paul Beavan, and Geoff Cook.

**APOLOGIES:** Councillor John Bateson.

**OFFICERS:** John Hutchinson (Town Treasurer).

This was an additional meeting to discuss one item only – to Review the effectiveness of Internal Audit. The Town Treasurer pointed that this was a task that should be undertaken by the Audit Committee each financial year. Last year this had been done on 31st March 2008.

### **564/08/09 REVIEW THE EFFECTIVENESS OF INTERNAL AUDIT**

The Town Council's Internal Auditors are R.F. Miller & Company, a firm of Chartered Accounts based at Ulverston and Barrow. They have undertaken this role for over ten years.

Therefore the Committee agreed that the Internal Auditors are independent of the Town Council and are competent to carry out this duty with integrity and objectivity, and professionally.

They were satisfied that the audit covered all aspects of the financial controls relevant to the Town Council and that their report, along with the Management Letter to Councillors, were appropriately presented to Council. However, it was agreed that the Schools of Science and Art Charity, administered by the Town Council, should also be covered by the Audit.

The relationships between the Internal Auditors, the Responsible Financial Officer and Councillors was also considered and thought to be appropriate. It was noted that Councillor Boden undertook the Bank Reconciliation on a regular basis and that Councillor Feeney-Johnson undertook occasional checks of the petty cash. For the next financial year it was agreed that Councillor Bateson should be asked to undertake this latter task as he will be in regular contact with the office.

The Internal Audit visits are planned for April each year once the Annual Accounts and Annual Return have been completed. .

**RESOLVED** that

(1) the current Internal Audit arrangements are satisfactory;

- (2) in future the Schools of Science and Arts Charity Accounts be included in the Internal Audit; and
- (3) Councillor Bateson be asked to be responsible for providing occasional checks on the petty cash balance.

**RECOMMENDED** that

- (1) the Town Council be advised that the present arrangements for Internal Audit are considered to be satisfactory and that R.F. Miller and Company should be asked to continue as the Town Council's Internal Auditors; and
- (2) that the Internal Auditors be requested to include the Schools of Science and Art Charity Accounts within their audit