

Internal Audit Report to Ramsey Internal Drainage Board

Financial year 2017/2018

Independent Internal Auditor; Russell Wright

1 INTRODUCTION AND OBJECTIVE OF AUDIT

1.1 I was appointed as your Independent Internal Auditor for the year 2017/2018 and checking the guidelines of the Audit Commission have agreed the approach for the audit work required to satisfy the Regulations.

2. SCOPE OF AUDIT

2.1 The annual return requires the Independent Internal Auditor to provide certification on 10 key control objectives as follows;

- Appropriate books of account have been properly kept throughout the year
- Financial Regulations have been met with proper control procedures in place relative to payments and VAT accounting
- Due consideration has been given to way in which the Board approach risk management and the arrangements to manage the process
- Budgetary Control procedures are robust; monitored on a regular basis and properly reported to the Board. The annual budgetary control process is correctly based
- Income is monitored in line with the budget proposals. Banking is made promptly
- Petty cash accounting is correctly administered
- Payroll accounting correctly applied and salaries paid in accordance with agreed scales
- Asset and investment registers complete and regularly updated
- Cash and bank reconciled on a regular and correct basis
- Year end accounting on the correct basis, with adequate audit trails to support the figures in the Annual Return

2.2 A systems based audit programme of the authority has been adopted in line with the guidance set out in the draft practitioner's guide

I was able to devise a suitable programme to enable to test the key controls to form an opinion on the Board compliance with the key controls.

3. CONCLUSION

3.1 From the testing undertaken I was able to attain the appropriate assurances to allow me to certify that there had been compliance in the key control objectives

4. MATTERS ARISING/RECOMMENDATIONS

4.1

Objective E on the report was endorsed No as the Agricultural rate was not demanded from the Agricultural ratepayers and the previous arrears were not chased up.

4.2

Objective F the section relating to Petty cash was endorsed "not covered" as the Board do not keep any petty cash.

4.3

The question of the long-term Investment and Bond need to be addressed by the Board and questions as to the financial risk imposed by the Long-Term Investment needs to be addressed and documented by the Board.

4.4

The Board need to address all points raised by the external auditor as listed under section 3 of the 2016/2017 report.

4.5

Although I have stated that accounting statements were supported by an adequate audit trail improvements could be made a and I believe that this is being addressed for 2018/2019.

Internal Auditor
R Wright



21st June 2018