



Clare Evans
Clerk
Houghton Regis Town Council
Council Offices
Peel Street
Houghton Regis
Bedfordshire
LU5 5EY

13th June 2022

Dear Clare,

Further to my Internal Audit of the Council in respect of the 2022 Annual Return, I am submitting my report and observations to the Council. As you will notice from the attached Internal Audit Report it was unfortunately necessary to issue a negative response in respect of Control Objective M.

Control Objective M

“The authority, during the previous year (2020-21) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set)”

Reason for the negative response Control Objective M

Regulation 14 of The Accounts and Audit Regulations (2015) sets out the requirements in respect of The Period for the Exercise of Public Rights

As you are aware, it was not possible during the internal audit to verify that the Council had properly discharged its obligations as set out in the Regulations. The date of Announcement for the Period of the Exercise of Public Rights was stated as the same day as the date of Commencement (they were both stated as 23rd June 2021). The date of Announcement should precede the date of Commencement (usually it is the next working day).

Implications in respect of the Annual Return

As previously advised it will be necessary for a negative response to be entered on the Internal Audit Report. In addition, the Council will also have to return a negative response in respect of Assertion 4 of the Annual Governance Statement.

It is highly likely that this issue will be subject to further query by the External Auditor and it would be helpful in that regard if the Council were to properly Minute a discussion of a review of this issue and to include an explanatory letter when submitting the Annual Return.

In addition to the Negative Response on the Internal Audit Report we have also responded 'Not Covered' in respect of the Control Objectives K, L and O and we are required to explain why we have done this.

- We have responded 'Not Covered' in response to Objective K is that it is not applicable to your Council as you did not certify yourself as exempt from External Audit.
- We have responded 'Not Covered' in response to Objective L is that it is not applicable to your Council as your 'annual turnover' exceeds £25,000.
- We have responded 'Not Covered' in response to Objective O as we understand that the Council does not act as Sole Managing Trustee.

In addition to this letter and the statutory Internal Audit Report I have also submitted our Internal Audit Observations and Summary to you by email. I would be grateful if you could bring all of these to the Council's attention in due course.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'K. Rose'.

Kevin Rose ACMA
Director

Houghton Regis Town Council

Financial Year 2021-22



IAC Audit and Consultancy Ltd

Visit date: 13- June -2022

Year End Internal Audit Observations

H Asset and investments registers were complete and accurate and properly maintained.

No.	Audit Test	Observation	Recommendation	Priority	Comments
1	There is a register of owned assets	<i>The Council maintains an Excel asset register. It was noted on review of the register that this includes and large number of items and does not agree to the value stated in the Councils Accounting Statements. (The value for the Accounting Statements is taken from a Financial Report prepared by the Councils accountants)</i>	The Council to review the format of its asset register. As part of this the Council should look to separate small items of 'inventory' from larger value 'assets'. The value of the 'assets' on this register should agree to the Councils Accounting Statements Box 9 value.	High	The need for a a review of the registry of owned assets is accpeted. This will be completed by 31st August 2022.