



**ISSUES ARISING REPORT FOR  
Draethen, Waterloo & Rudry Community Council  
Audit for the year ended 31 March 2020**

## Introduction

The following matters have been raised to draw items to the attention of Draethen, Waterloo & Rudry Community Council. These matters came to the attention of BDO LLP during the audit of the annual return for the year ended 31 March 2020.

The audit of the annual return may not disclose all shortcomings of the systems as some matters may not have come to the attention of the auditor. For this reason, the matters raised may not be the only ones that exist.

The matters listed below are explained in further detail on the page(s) that follow;

## Issues Raised

- Internal audit appointment
-

The following issue(s) have been raised to assist the body. The body is recommended to take action on the following issue(s) to ensure that the body acts within its statutory and regulatory framework.

### **Internal audit appointment**

#### *What is the issue?*

The Internal auditor appointed by the council was not approved by the full council.

#### *Why has this issue been raised?*

This was reported to the council in the year to 31 March 2016 and we recommended that the full council considers the scope and extend of the internal audit, this has not been done.

The Practitioners' Guide, which is proper practices states 'The council itself appoints the internal auditor'. It goes onto state 'It is important for councils to consider whether the internal audit is proportionate to the needs, the size and the circumstances of the council. The council must determine the necessary scope and extent of its internal audit. It must also make sure that it is fit for the purpose for which it is required at that particular council.'

The council have been unable to demonstrate that they have considered this.

#### *What do we recommend you do?*

The council should ensure in future years that when the appointment of the internal auditor is to be made the council fully consider the scope and extent of its internal audit and ensure it is fit for purpose.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in Wales - A Practitioners' Guide, OWW/SLCC

**No other matters came to our attention.**

For and on behalf of  
BDO LLP

Date: 03 November 2020

---