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**REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 5 NOVEMBER  
2021**

**SUBJECT: INTERNAL AUDIT ANNUAL REPORT 2020/21**

**BY: THE TREASURER TO THE BOARD**

**1. REASON FOR REPORT**

- 1.1 This report advises the Board of the internal audit work completed on the Assessor's Service for the financial year ended 31st March 2021, and provides an opinion on the adequacy of the control systems reviewed.

**2. RECOMMENDATION**

- 2.1 **It is recommended that the Board consider and note the satisfactory audit opinion for 2020/21 derived from audit work completed.**

**3. BACKGROUND**

- 3.1 In terms of the Public Sector Internal Audit Standards (PSIAS) applicable to Local Government, it is good practice to develop an internal audit plan for each financial year. The plan is agreed with senior management and is presented to the Board to enable it to consider and comment on the proposed audit coverage. The planned work for 2020/21 as reported to the meeting of the Board in February has been completed and informs the internal audit opinion.
- 3.2 As the Board will be aware, the main financial systems of the Assessor's Service replicate those of the Moray Council, hence audit assurances provided in terms of the controls within the Council systems can be relied upon as being applicable to financial systems relating to the Service. There remains a need, however, to test transactions specific to the Assessor's Service annually to provide the Treasurer with an opinion on the adequacy and effectiveness of the internal control systems and procedures. This work includes confirming the administrative processes for reporting revisions to the council tax and non domestic rating lists by the Assessor to the constituent Authorities.
- 3.3 Despite restrictions to working practices, it was possible to continue with the

planned audit coverage detailed within the report to the Board on the 5 February 2021. Audit testing reviewed budget setting and monitoring, payroll costs which utilise a major element of the budget, non payroll expenditure covering issues including office rentals and ICT costs, and assessment of income received (mainly Scottish Government allocations to meet additional burdens relative to electoral registration and funding for preparation for the Scottish Parliamentary Election in May 2021). There are no matters to report to the Board in relation to this testing.

- 3.4 A Risk Profile review report should be provided annually to the Board or more frequently if there is a significant change to the risk profile. I am pleased to report the Risk Register is subject to ongoing review by the Assessor and his Senior Management Team. The latest version was reported to the Board on the 18 June 2021 (para X of the minute refers).
- 3.5 The audit opinion informs the Annual Governance Statement which is certified by the Board's Convener and the Assessor and is published within the Board's annual accounts.
- 3.6 The audit was carried out in accordance with Public Sector Internal Audit Standards (PSIAS).

#### **4. CONSULTATIONS**

- 4.1 The Assessor has been consulted during the audit review process.

#### **5. CONCLUSION**

- 5.1 The Internal Audit Manager is of the opinion, based on audit work completed, that reasonable assurance can be placed on the adequacy of and effectiveness of the system of internal financial control established within the Assessor's Service.**

Author of Report: Dafydd Lewis, Internal Audit Manager  
Background Papers: Internal Audit files  
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