

CHARLTON KINGS PARISH COUNCIL

EFFECTIVENESS OF INTERNAL AUDIT

Governance and Accountability for Smaller Authorities in England (March 2016) Section 4.21

Expected Standard	Evidence of achievement
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INTERNAL AUDIT	
Scope of internal audit	The scope of the audit work is set out in the engagement letter and includes reference to the risk management processes and other internal controls relating to the Council’s activities and operating procedures.
Independence	The internal auditor does not have any other role in relation to Charlton Kings Parish Council.
Competence	The internal auditor holds an appropriate accounting qualification and understands proper practices in relation to governance and accounting requirements within the legal framework and powers of smaller authorities.
Communication	The internal auditor has direct access to the RFO and, if necessary to the Chair of Council or Chair of the Finance and General Purposes Committee. The internal audit report on page 3 of the annual return, together with any findings and recommendations, is seen by the Full Council before completion of the Annual Governance Statement
Audit Planning and Reporting	The Annual Return is signed at the Annual Parish Council Meeting in May. The appointment of internal auditor is reviewed annually. New tenders will be sought at least every 4 years and it is anticipated that this will done for the 2019-20 financial year.

INTERNAL CONTROL	
Reporting lines	Responsibility for the Council’s finances are defined in the job description for the Clerk / RFO and responsibilities for the Council are set out in the Financial Risk Assessment document.
Competence	The Clerk / RFO presents cumulative monthly accounts to each meeting of the Full Council and approval of the accounts is minuted.
Internal control checks	One Councillor who is a member of the Finance and General Purposes Committee but not a cheque signatory carries out a full annual review of control systems, supported by a detailed check of a sample of transactions and bank reconciliations to confirm the effectiveness of systems.
Changes in legislation	The Clerk / RFO and Councillors have access to the latest edition of the Governance and Accountability Guide and attend relevant training where appropriate.
New procedures	All new financial procedures undergo a full risk assessment and any necessary amendments are made to the Financial Regulations and Financial Risk Assessment.

Signed **Date**

Chair – Charlton Kings Parish Council

Minute Reference