

BROADCLYST PARISH COUNCIL



Review of Effectiveness of Internal Audit for the year 2017/18

Expected Standard		Evidence of Achievement
1	Scope of Internal Audit	The scope of audit work includes reference to the risk management processes and internal controls. Terms of reference are set out in the contract with the internal auditor.
2	Independence	The Internal Auditor has direct access to the RFO and if necessary to the Chairman. The Internal Audit report was made by letter addressed directly to Broadclyst Parish Council and signed personally by the auditor. The auditor does not have any other role in relation to Broadclyst Parish Council.
3	Competence	The reports received and comments from the internal audit inspection were presented to the Parish Council. The internal audit report was considered in detail by the Finance Committee (F18/08) and received by Council (18/31) at its meeting on 5th February 2018. There is no evidence that internal audit work has not been carried out ethically.
4	Relationships	Responsibilities are defined in the job description for the Clerk/RFO and Officer delegation is clearly set out. The Clerk/RFO has a copy of the current Governance and Accountability Guide.
5	Audit Planning and Reporting	The Annual Return was signed on 27th April 2018 by the Internal Auditor.
	Internal Audit Work	Financial statements and bank reconciliations were produced by the RFO for inspection at monthly Council meetings, these were reviewed by the PC (see Minutes). An analysis of income and expenditure for setting the Precept was produced for review by the PC at the December 2017 meeting. Invoices have been checked and the on-line payment processes authorised / checked by two Councillors.
	Understanding the organisation, needs and objectives	The annual audit provides assurance in relation to the PC's annual governance statement. Accounts are prepared / retained using RBS Omega on the Clerks computer, with back ups locally and in the cloud.

	Being seen as a catalyst for change	Tendering the grounds maintenance and grass cutting contract reassured best use of public money
	Be forward looking	When identifying risks and updating reviews, changes advised by national bodies are incorporated.
	Be challenging	In drawing attention to risks and to new possibilities, the PC responds in ways that are appropriate and proportional to the size and budget of the Parish Council.
	Ensure the right resources are available	Financial provision for internal audit is included when setting the precept. The internal auditor fully understands the Parish Council and the legal and corporate framework in which it operates.

It should be noted that this review is primarily about effectiveness, not process.

In essence the need for the review is to ensure that the opinion in the annual report of the internal auditors may be relied upon as a key source of evidence for the Annual Governance Statement.

Signed: _____ Date: _____
Responsible Financial Officer

Signed: _____ Date: _____
Chairman