

## **FLAUNDEN PARISH COUNCIL**

### **INTERNAL AUDIT PLAN**

#### **Preamble**

#### **The maintenance of an adequate and effective system of Internal Audit**

Parish Councils have a duty under the Account & Audit Regulations 2011 as amended to maintain an adequate and effective system of Internal Audit of their accounting records and of their systems of internal control in accordance with the proper practices in relation to internal control.

Parish Councils set out the control objectives usually in the form of standing orders and financial regulations.

The Council appoints an Internal Auditor whose role is to provide independent review and appraisal of the Council's internal control.

#### **The Plan**

1. The Parish Council appoints an Internal Auditor prior to the start of each financial year
2. The Council will provide the Internal Auditor with Terms of Reference. The Terms of Reference will ensure that:
  - i) the Internal Auditor has access to the evidence that will enable him to complete Section 4 of the Annual Return
  - ii) The Council will have an independent opinion of its system of internal control that will underpin its Annual Governance Statement in Section 2 of the Annual Return.
3. The Internal Auditor will report his findings and recommendations to the Council in writing.
4. The Internal Auditor must be independent and competent.
5. The appointment itself and rate of remuneration will be minuted.
6. The Council will require the Internal Auditor to conduct his/her audit exercise as soon as possible after year end.
7. The Internal Auditor will have access to all the documents he/she requires and to all officers and councillors necessary to undertake an effective audit.
8. The scope of internal audit spans the whole range of the Council's activities and includes the review of those controls designed to ensure:
  - i) The Council's policies are put into practise
  - ii) The Council's values are met
  - iii) Laws and regulations are complied with
  - iv) Processes are adhered to
  - v) Financial information is accurate and reliable
9. The Council will conduct a review once during each financial year of the effectiveness of its System of Internal Audit.

#### **Review of Effectiveness of the System of Internal Audit**

10. The Review will take place each year as soon as possible after receipt of the report of the Internal Auditor.

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11. The Review will be undertaken by the full Council.
12. The Review will include the following components
  - i) Whether the Internal Auditor met the Council's expected standards
  - ii) Whether the internal audit was effective
  - iii) Confirmation of the independence of the appointed Internal Auditor
  - iv) Consideration of guidance received from the auditor and how such guidance should be incorporated into Council practice.

Approved in Council Meeting Date: 8 January 2018

Chairman: Vivienne Adams