



FRAMLINGHAM TOWN COUNCIL INTERNAL AUDIT EFFECTIVENESS REVIEW

Reviewed for the 2017/2018 Financial Year by the Finance Committee and approved by the Council at its Meeting held on 5th October 2017

In accordance with the Accounts and Audit (Amendment) (England) Regulations 2006, Framlingham Town Council (hereafter referred to as "the Council") is required to carry out a review of the effectiveness of the internal audit of the Council's accounting, financial and other operations. The Regulations require that the review of the effectiveness of the system of internal audits precedes the annual governance review.

PART 1: Scope of the Internal Audit

The Internal Audit covered the ten key control areas recommended in Appendix 8 of the *Governance and Accountability in Local Councils in England and Wales, A Practitioners Guide 2003*, namely: proper book-keeping; application of Standing Orders, Financial Regulations and payment controls; risk management arrangements; budgetary controls; income controls; petty cash procedures; payroll controls; assets controls; bank reconciliation; year-end procedures.

Was the scope of the Internal Audit adequate?

YES

PART 2: Independence of the Internal Auditor

The Internal Audit was conducted by an auditor who is independent of the council and the Town Clerk/Responsible Financial Officer. The appointment of the Internal Auditor complies with the Financial Regulations of the Council.

Was the independence of the Internal Audit adequate?

YES

PART 3: Competence of the Internal Auditor

The internal auditors are experienced financial auditors who understand the role of the internal audit and have an understanding of risk management and the powers and duties of parish councils. A comprehensive summary of the internal audit is made available to the Council.

Was the competence of the Internal Auditor adequate?

YES

PART 4: Proportionality of the Internal Audit

The internal auditors undertake similar internal audits of other parish councils. The level of detail and scrutiny of the Council's processes during the annual Internal Audit is believed to be proportionate to the size of the local parish and the annual budget.

Was the Internal Audit proportionate to the activities of the Council?

YES

PART 5: Overall Effectiveness of the Internal Audit

Has the Internal Audit of Framlingham Town Council been effective?

YES

The Internal Auditors appointed and the findings of this Review shall be considered at Full Council and recorded in the minutes. If any of the questions above have been answered "No", an appropriate action plan should be developed to increase the effectiveness of the Internal Audit.