



# FRAMLINGHAM TOWN COUNCIL INTERNAL AUDIT EFFECTIVENESS REVIEW

Reviewed for the 2019/2020 Financial Year by the Finance and Strategic Planning Committee and approved by the Town Council at its Meeting held on 5<sup>th</sup> December 2019

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.