

# LAUNTON PARISH COUNCIL

## DRAFT Review of Effectiveness of Internal Auditor for the year 2019/20

| Expected Standard |                                                      | Evidence of Achievement                                                                                                                                                                                                                                                                                                                                                                                                              | Has the standard been met? |
|-------------------|------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| 1                 | Scope of Internal Audit                              | <p>The scope of audit work includes reference to the risk management processes and internal controls.</p> <p>Terms of reference were approved on 4 July 2019 and were set out in the letter of appointment of the internal auditor.</p>                                                                                                                                                                                              | <p>Yes</p> <p>Yes</p>      |
| 2                 | Independence                                         | The Internal Auditor has direct access to the RFO and if necessary to the Chairman. The annual report was made by letter addressed directly to Launton Parish Council and signed personally by the auditor. The auditor does not have any other role in relation to Launton Parish Council.                                                                                                                                          | Yes                        |
| 3                 | Competence                                           | <p>The report received and comments from the internal audit inspection were seen by Parish Council. The internal audit report was discussed by the full Council at the meeting on 7 May 2020.</p> <p>The Cashbook and the most recent bank statement were available at each Council meeting for inspection and checking. There is no evidence that internal audit work has not been carried out ethically.</p>                       | <p>Yes</p> <p>Yes</p>      |
| 4                 | Relationships                                        | <p>Responsibilities are defined in the job description for the Clerk/RFO and responsibilities for Councillors are stated under risk management and in the Internal Financial Controls Policy.</p> <p>The Clerk/RFO has access via the website to the Governance and Accountability Guide.</p>                                                                                                                                        | <p>Yes</p> <p>Yes</p>      |
| 5                 | Audit Planning and Reporting                         | The Annual Return was signed on 18 April 2020 by the Internal Auditor.                                                                                                                                                                                                                                                                                                                                                               | Yes                        |
| 6                 | Internal Audit Work                                  | <p>Financial statements and bank reconciliations were produced by the Clerk/RFO for inspection at monthly Council meetings, these were reviewed by the PC (see Minutes).</p> <p>An analysis of income and expenditure for setting the Precept was produced for review by the PC at the January 2019 meeting. Invoices have been checked and the cheque counterfoil initialled by two Councillors as well as signing the cheques.</p> | <p>Yes</p> <p>Yes</p>      |
| 7                 | Understanding the organisation, needs and objectives | The annual audit plan shows how audit work will provide assurance in relation to the PC's annual governance statement.                                                                                                                                                                                                                                                                                                               | Yes                        |

| Expected Standard |                                          | Evidence of Achievement                                                                                                                                                                                                                                                                                                                                                                                                | Has the standard been met?       |
|-------------------|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
|                   |                                          | Accounts are held on the computer and are backed up regularly.                                                                                                                                                                                                                                                                                                                                                         | Yes                              |
| 8                 | Being seen as a catalyst for change      | Obtaining quotes for the grass cutting and insurance had resulted in better value for the PC.                                                                                                                                                                                                                                                                                                                          | Yes                              |
| 9                 | Be forward looking                       | When identifying risks and updating reviews, changes advised by national bodies are incorporated.                                                                                                                                                                                                                                                                                                                      | Yes                              |
| 10                | 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 a small Parish Council.                                                                                                                                                                                                                                                | Yes                              |
| 11                | Ensure the right resources are available | <p>Finance for internal audit is included under 'administration' when setting the precept.</p> <p>The internal auditor is currently working on Level 5 of Community Governance qualification, is herself a Parish Clerk and fully understands the Parish Council and the legal and corporate framework in which it operates.</p> <p>Access to all the latest Guidelines is available via the appropriate websites.</p> | <p>Yes</p> <p>Yes</p> <p>Yes</p> |

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Responsible Financial Officer

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Chairman