

North Runcton Parish Council

ANNUAL REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT

Scope

The purpose of internal audit is to review whether the systems of financial and other control are effective; neither the internal nor the external auditor can be expected to look for fraud. The internal auditor does not give an opinion on the accounts, but is required to review controls and give recommendations.

The internal auditor is required to review the completeness and accuracy of the Council's accounts for the year, and to carry out a sample testing from the accounts to supporting documentation. The auditor shall also review payroll and VAT for reasonableness.

The internal auditor will discuss his findings with the responsible financial officer (RFO) and will then write a report on his findings to the Parish Council. In the case of a serious problem the auditor will report directly to the chairman. Recommendations from the report will be recorded in the minutes and any action taken will be noted.

Independence

The auditor shall not have any other role or employment within the Council and the Council confirms that this is the case.

The auditor will report under his own name and will address his report to the Council.

Competence

The internal auditor shall be competent to carry out the work. He should have an understanding of the accounting process, an understanding of the role of internal audit in reviewing systems, an awareness of risk management issues and an understanding of the accounting requirements, legal framework and powers of local councils.

Internal Controls

The Council shall carry out an annual review of its system of internal control and of its financial risk management. The review of internal audit shall be approved by the Parish Council and by the RFO.

Signed*K Fuller*
Chairman

Date8th July 2025...

Signed ...*R Curtis*.....
RFO

Date8th July 2025.....

Next Review July 2026