

# Wheatley Hill Parish Council

## Internal Audit Policy

The purpose of internal audit is to assist the Council in maintaining and improving internal control in accordance with proper practices, as set out in the Accounts and Audit Regulations.

The objective of internal audit is to review and report upon the adequacy of the internal control systems operated by the Council and to achieve this adopt a predominately systems based approach to audit.

The internal control system comprises the systems in place within the Council to provide reasonable assurance that the Council's objectives will be achieved with particular reference to: -

- The effectiveness of operations.
- The economic and efficient use of resources.
- Compliance with applicable policies, procedures, law and regulations.
- The safeguarding of assets and interests from losses of all kinds including those arising from fraud, irregularity and corruption.
- The integrity and reliability of information, accounts and data.

Accordingly the internal audit may: -

- Carry out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year in order to be able to complete Section 4 of the annual return.
- Review the reliability and integrity of financial information.
- Review the means of safeguarding assets and as appropriate, verify their existence.
- Appraise the economy and efficiency with which resources are employed and identify where appropriate opportunities to improve performance and make recommendations as required.
- Review the established systems to ensure compliance with these policies, procedures, laws and regulations which could have a significant impact on operations determining whether the Council is in compliance.

- Review operations and activities to ascertain whether results are consistent with objectives and whether they are being carried out as planned.

There are no limitations on the internal audit's scope of activities. The scope of internal audit allows for unrestricted coverage of the Council's activities including both financial and non-financial systems of internal control.

The internal audit shall, as a minimum cover the following areas: -

- Book keeping.
- Risk Management.
- Budgetary controls.
- Income controls.
- Payroll controls.
- Asset controls.
- Bank reconciliations.
- Year-end procedures.

Internal audit must be independent in its planning and operation and as such will have unrestricted access to the offices of the Council and the ability to report to the Council. Objectivity will be preserved by ensuring that the internal auditor is free from any conflict of interest and does not undertake any other duties on behalf of the Council.

There will be no limitations on the internal auditor's access to records and they shall have authority to access all assets, records, documents, correspondence and control systems in addition to receiving any information and explanation as considered necessary and the requiring of any employee of the Council to account for cash or any other Council asset under his control.

The existence of internal audit does not diminish the responsibility of the Council to establish systems of internal control to ensure that activities are conducted in a secure and well-ordered manner.

The Internal Auditor shall report the results of the audit and any appropriate recommendations to the Council.