



EFFECTIVENESS OF INTERNAL AUDIT for YEAR ENDING 31ST MARCH 2026

<u>Expected Standard</u>	<u>Evidence of Achievement</u>
<u>Scope of Internal Audit</u>	The scope of audit work includes reference to the risk management processes and internal controls. Terms of reference are set out in the letter of appointment of the internal auditor.
Independence	<u>The Internal Auditor has direct access to the RFO and if necessary to the Chairman. The Annual Report was sent via e-mail to Fairford Town Council and signed personally by the auditor. The auditor does not have any other role in relation to Fairford Town Council</u>
Competence	The letter received and comments from the internal audit inspection were seen by the Town Council. The internal audit report was discussed by the Finance Committee or the Full Council whichever occurs sooner at their meetings, and then approved at the Full Council meeting The cashbook and the most recent bank statements are available or inspection, if required. There is no evidence that the internal audit work has not been carried out ethically.
Relationships	Responsibilities are defined in the job description for the Clerk/RFO and responsibilities for Councillors are stated under risk management. The Clerk/RFO has access via the website to the Governance and Accountability Guide.
Audit Planning and Reporting	The Annual Return was signed on by the internal auditor. Reporting on the Internal Auditor and any need for change to be added after the internal audit has been completed

Internal Audit work	Financial statements and bank reconciliations were produced by the Clerk/RFO for inspection by the Finance Committee and Full Council at their meetings every month. An analysis was produced for review by the Town Council and approved at their meetings monthly. Invoices are checked against payment schedules when produced, approved by two councillors and then authorised by two councillors on the bank system. Total payments for the month are prepared and submitted for retrospective approval by Full Council at their monthly meetings. Invoices are checked and initialled. Likewise cheques are signed, and stubs initialled, BACS Direct debit and debit card payments are also signed off against invoices. schedules are also checked against invoices and initialled and signed off, by 2 signatories, prior to payments being made.
Understanding the organisation, needs and objectives	The annual audit plans how audit work will provide assurance in relation to the T.C's annual governance statement. Accounts are held on the computer and print outs held manually.
Be forward thinking	When identifying risks and updating reviews, changes advised by national bodies are advised to the TC. Risks and new possibilities are brought to the attention of the TC and they respond in ways that are appropriate and proportional to the size and budget of this Council.
Ensure the right resources are available	Finance for internal audit is included under administration when setting the precept. The internal auditor acknowledges that he/she understands the TC and the legal and corporate framework in which it operates. Access to all the latest guidelines is available via the appropriate websites

Signed:

Clerk/RFO

Date.....

Signed:

Chairman (Finance Committee)

Date.....

Chairman (Full Council)

Date.....