



## Much Hoole Parish Council

# Annual Review of the Effectiveness of Internal Audit – Year Ending 31 March 2025

### Introduction

In accordance with the Accounts and Audit Regulations 2015 (as amended), the council has reviewed the effectiveness of its internal audit arrangements. Internal Audit is approved annually, covers all significant financial and governance systems, takes account of risk management and internal controls, and addresses the risk of fraud and corruption. The auditor is independent, has direct access to the Council, and maintains a professional relationship with the Clerk/RFO and council members. Audit planning is risk-based, reports are timely and clear, and internal audit work confirms that financial and governance arrangements are sound with no significant issues identified. The current review is set out in the table for the Council to consider.

Characteristics of 'effectiveness'	Evidence of Achievement	Areas for development
1. Scope of internal audit	Internal Audit arrangements are approved by the Council annually. The scope of audit work takes account of risk management processes and wider internal control issues. It is based on the guidance in <i>Governance and Accountability for Local Councils: A Practitioners' Guide (England)</i> and also covers the risk of fraud and corruption. The internal audit reviews all significant financial and governance systems, including risk management, accounting records, and internal controls."	None identified to date
2. Independence	The Internal Auditor has direct access to the Council and would report directly where necessary. The auditor does not hold any other role within the Council and remains independent of its decision-making and management processes, ensuring impartiality and objectivity.	None identified to date
3. Competence	The internal auditor has suitable qualifications, knowledge, and experience relevant to local council governance and finance.	None identified to date

4. Relationships	The Clerk is consulted on the scope of the audit, and the respective responsibilities of officers, internal audit, and Council members are clearly defined in relation to internal control, risk management, and fraud and corruption matters. The auditor maintains a professional and constructive relationship with the Clerk/RFO and Members, ensuring open communication, clear feedback, and training for members where necessary.”	None identified to date
5. Audit Planning and reporting	Audit planning takes account of corporate risk, and the internal audit follows a risk-based plan agreed in advance. Reports are clear, timely, and form part of the approval of the Annual Return, with additional reporting to the Council if necessary to support transparency and accountability.	None identified to date
6. Effectiveness	Internal audit work is risk-based and designed to meet the Council’s assurance needs, following an agreed work plan. The audit process has confirmed that financial and governance arrangements are sound, with no significant issues identified during the year.	None identified to date

**Conclusion & Council resolution**

The council concludes that the internal audit arrangements for the year ending 31 March 2025 are effective and provide appropriate assurance over the council’s internal controls, governance, and financial management.

RESOLVED: That the Annual Review of the Effectiveness of Internal Audit for the year ending 31 March 2025 be approved, and that the findings of this review are noted and accepted by the council.

Chair: KERIAN MAYES ~~\_\_\_\_\_~~ Date: 08/09/25

Clerk/RFO: [Signature] Date: 08/09/25