

Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note Causeway Coast and Glens Borough Council 2017/18

This checklist has been developed by Moore Stephens and follows the recommended checklist provided in the CIPFA Local Government Application Note for the UK Public Sector Internal Audit Standards (PSIAS), updated March 2017.

The checklist covers the following areas:

	Page
1. Definition of Internal Auditing	2
2. Code of Ethics	2
2.1. Integrity	2
2.2. Objectivity	3
2.3. Confidentiality	3
2.4. Competency	3
3. Attribute Standards	4
3.1. Purpose, Authority and Responsibility	4
3.2. Independence and Objectivity	6
3.3. Proficiency and Due Professional Care	10
3.4. Quality Assurance and Improvement Programme	12
4. Performance Standards	16
4.1. Managing the Internal Audit Activity	16
4.2. Nature of Work	22
4.3. Engagement Planning	25
4.4. Performing the Engagement	31
4.5. Communicating Results	33
4.6. Monitoring Progress	39
4.7. Communicating the Acceptance of Risks	39

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
1	Definition of Internal Auditing				
	Using evidence gained from assessing conformance with other Standards, is the internal audit activity:				
	a) Independent	✓			Outsourced part of the shared service arrangement and In-house function
	b) Objective?	✓			Outsourced part of the shared service arrangement and In-house function
	Using evidence gained from assessing conformance with other Standards, does the internal audit activity use a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes within the organisation?	✓			Systematic and disciplined approach used. Outcomes of the audit work are used to provide appropriate levels of assurance to those charged with Governance.
2	Code of Ethics				
	Integrity				
	Using evidence gained from assessing conformance with other Standards, do internal auditors:				Annual Statement of Ethics for In-house Internal Auditor
	a) Perform their work with honesty, diligence and responsibility?	✓			
	b) Observe the law and make disclosures expected by the law and the profession?	✓			

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	c) Not knowingly partake in any illegal activity nor engage in in acts that are discreditable to the profession of internal auditing or to the organisation?	✓			
	d) Respect and contribute to the legitimate and ethical objectives of the organisation?	✓			
	Objectivity				
	Using evidence gained from assessing conformance with other Standards, do internal auditors display objectivity by not:				Annual Statement of In-house Internal Auditor's Annual Declaration of Interest
	a) Taking part in any activity or relationship that may impair or be presumed to impair their unbiased assessment?	✓			
	b) Accepting anything that may impair or be presumed to impair their professional judgement?	✓			
	c) Disclosing all material facts known to them that, if not disclosed, may distort the reporting of activities under review?	✓			
	Confidentiality				
	Using evidence gained from assessing conformance with other Standards, do internal auditors display objectivity by:				

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	a) Acting prudently when using information acquired in the course of their duties and protecting that information?	✓			All staff understand data protection requirements and confidentiality. Professional standards and codes of conduct. Annual statement of Ethics for In-house Internal Auditor and membership of professional accountancy body.
	b) Not using information for any personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the organisation?	✓			
	Competency				
	Using evidence gained from assessing conformance with other Standards, do internal auditors display objectivity by:				In-house Internal Auditor's membership of professional accountancy body
	a) Only carrying out services for which they have the necessary knowledge, skills and experience?	✓			
	b) Performing services in accordance with the PSIAS?	✓			External assessment completed in July 2015 In-house assessment completed March 2012
	c) Continually improving their proficiency and effectiveness and quality of their services, for example through CPD schemes?	✓			CPD undertaken by all IA staff
	Do internal auditors have regard to the on Standards of Public Life's <i>Seven Principles of Public Life</i> ?	✓			

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	Standards				
3	Attribute Standards				
3.1	1000 Purpose, Authority and Responsibility				
	Does the internal audit charter include a formal definition of:				
	a) the purpose	✓			Internal Audit Charter developed by Council
	b) the authority, and	✓			Internal Audit Charter developed by Council
	c) the responsibility	✓			Internal Audit Charter developed by Council
	of the internal audit activity consistent with the Public Sector Internal Audit Standards (PSIAS)?				
LGAN	Does the internal audit charter define the terms 'board' and 'senior management', for the purposes of the internal audit activity? Note that it is expected that the audit committee will fulfil the role of the board in the majority of instances.	✓			Internal Audit Charter developed by Council
LGAN	Does the internal audit charter also:				
	a) Set out the internal audit activity's position within the organisation?	✓			Internal Audit Charter developed by Council
	b) Establish the CAE's functional reporting relationship with the board?	✓			Internal Audit Charter developed by Council

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	c) Establish the accountability, reporting line and relationship between the CAE and those to whom the CAE may report administratively?	✓			Internal Audit Charter developed by Council
	d) Establish the responsibility of the board and also the role of the statutory officers (such as the CFO, the monitoring officer and the head of paid service) with regards to internal audit?	✓			Internal Audit Charter developed by Council
	e) Establish internal audit's right of access to all records, assets, personnel and premises and its authority to obtain such information and explanations as it considers necessary to fulfil its responsibilities?	✓			Internal Audit Charter developed by Council
	f) Define the scope of internal audit activities?	✓			Internal Audit Charter developed by Council
	g) Recognise that internal audit's remit extends to the entire control environment of the organisation?	✓			Internal Audit Charter developed by Council
	h) Establish the organisational independence of internal audit?	✓			Internal Audit Charter developed by Council
	i) Cover the arrangements for appropriate resourcing?	✓			Internal Audit Charter developed by Council
	j) Define the role of internal audit in any fraud-related work?	✓			Internal Audit Charter developed by Council
	k) Set out the existing arrangements within the organisation's anti-fraud and anti-corruption policies, to be notified of all suspected or detected fraud, corruption or impropriety?	✓			Internal Audit Charter developed by Council
	l) Include arrangements for avoiding conflicts of interest if internal audit undertakes non-audit activities?	✓			Internal Audit Charter developed by Council states that IA must not be part of systems and procedures being audited

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	m) Define the nature of assurance services provided to the organisation, as well as assurances provided to parties external to the organisation?	✓			Internal Audit Charter – within the Scope of Internal Audit Activities
	n) Define the nature of consulting services?	✓			Internal Audit Charter developed by Council. 'Other services' defined.
	o) Recognise the mandatory nature of the PSIAS?	✓			Internal Audit Charter developed by Council
	Does the chief audit executive (CAE) periodically review the internal audit charter and present it to senior management and the board for approval?	✓			
	Does the CAE attend audit committee meetings?	✓			CAE role fulfilled by Moore Stephens; partner. A representative from Moore Stephens attends each quarterly meeting
	Does the CAE contribute to audit committee agendas?	✓			CAE consults on the audit committee agenda
3.2	1100 Independence and Objectivity				
	Does the CAE have direct and unrestricted access to senior management and the board?	✓			
	Does the CAE have free and unfettered access to, as well as communicate effectively with, the chief executive or equivalent and the chair of the audit committee?	✓			
	Are threats to objectivity identified and managed at the following levels:				

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	a) Individual auditor?	✓			
	b) Engagement?	✓			
	c) Functional?	✓			
	d) Organisation?	✓			
	<i>1110 Organisational Independence</i>				
	Does the CAE report to an organisational level equal or higher to the corporate management team?	✓			Reports to senior management team and Audit Committee
LGAN	Does the CAE report to a level within the organisation that allows the internal audit activity to fulfil its responsibilities?	✓			
LGAN	Have reporting and management arrangements been put in place that preserve the CAE's independence and objectivity? This is of particular importance when the CAE is line managed by another officer of the authority.	✓			
LGAN	Does the CAE's position in the management structure:				
	a) Reflect the influence he or she has on the control environment?	✓			
	b) Provide the CAE with sufficient status to ensure that audit plans, reports and action plans are discussed effectively with the board?	✓			
	c) Ensure that he or she is sufficiently senior and independent to be able to provide credibly constructive challenge to senior management?	✓			
	Does the CAE confirm to the board, at least annually, that the internal audit activity is organisationally independent?	✓			Through Annual Report

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	The following examples can be used by the CAE when assessing the organisational independence of the internal audit activity:				
	The board:				
	a) approves the internal audit charter	✓			Minutes of Audit Committee meetings
	b) approves the risk-based audit plan	✓			Minutes of Audit Committee meetings
	c) approves the internal audit budget and resource plan	✓			Minutes of Audit Committee meetings
	d) receives communications from the CAE on the activity's performance (in relation to the plan, for example)	✓			Minutes of Audit Committee meetings. Quarterly update reports to Audit Committee
	e) approves decisions relating to the appointment and removal of the CAE	✓			Audit Committee approves appointment of co-sourced provider (Moore Stephens)
	f) seeks reassurance from management and the CAE as to whether there are any inappropriate scope or resource limitations.	✓			
	Does the chief executive or equivalent undertake, countersign, contribute feedback to or review the performance appraisal of the CAE?	✓			Audit Committee reviews the performance of the outsourced element of the internal audit function and the In-house Internal Auditor
	Is feedback sought from the chair of the audit committee for the CAE's performance appraisal?	✓			

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	<i>1111 Direct Interaction with the Board</i>				
	Does the CAE communicate and interact directly with the board?	✓			Attendance at quarterly Audit Committee meetings
	<i>1112 Chief Audit Executive Roles Beyond Internal Auditing</i> NEW				
	Where the chief audit executive has or is expected to have roles and/or responsibilities that fall outside of internal auditing, are safeguards in place to limit impairments to independence or objectivity?			N/A	In-house Internal Auditor does not have roles or responsibilities that fall outside of internal auditing
	<i>1120 Individual Objectivity</i>				
	Do internal auditors have an impartial, unbiased attitude?	✓			
	Do internal auditors avoid any conflict of interest, whether apparent or actual?	✓			
	<i>1130 Impairment to Independence or Objectivity</i>				
	If there has been any real or apparent impairment of independence or objectivity, has this been disclosed to appropriate parties (depending on the nature of the impairment and the relationship between the CAE and senior management/the board as set out in the internal audit charter)?			N/A	No real or apparent impairment of independence or objectivity identified
	Have internal auditors assessed specific operations for which they have been responsible within the previous year?			✓	No previous role held by In-house Internal Auditor
	If there have been any assurance engagements in areas over which the CAE also has operational responsibility, have these engagements been overseen by someone outside of the internal audit activity?			✓	

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	If the internal auditors have previously performed consulting services, which did not impair objectivity, is individual objectivity managed when assigning resources to the engagement. <i>NEW</i>			N/A	If internal audit would be asked to provide consultancy or perform duties outside of internal audit there is a clear project brief and oversight
LGAN	Are assignments for ongoing assurance engagements and other audit responsibilities rotated periodically within the internal audit team?		✓		As resources allow
LGAN	Have internal auditors declared interests in accordance with organisational requirements?	✓			Internal Auditors complete annual declarations of interest for Moore Stephens in line with Chartered Accountants Ireland
LGAN	Where any internal auditor has accepted any gifts, hospitality, inducements or other benefits from employees, clients, suppliers or other third parties (other than as may be allowed by the organisation's own policies), has this been declared and investigated fully?			N/A	None accepted
LGAN	Have any instances been discovered where an internal auditor has used information obtained during the course of duties for personal gain?			✓	
LGAN	Have internal auditors disclosed all material facts known to them which, if not disclosed, could distort their reports or conceal unlawful practice, subject to any confidentiality agreements?	✓			
LGAN	Have internal auditors complied with the Bribery Act 2010?	✓			
	If there has been any real or apparent impairment of independence or objectivity relating to a proposed consulting services engagement, was this disclosed to the engagement client before the engagement was accepted?			N/A	None identified

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	Where there have been significant additional consulting services agreed during the year that were not already included in the audit plan, was approval sought from the board before the engagement was accepted?			N/A	No significant additional consulting services completed during the year that did not form part of the Annual Audit Plan
3.3	1200 Proficiency and Due Professional Care				
	<i>1210 Proficiency</i>				
	Does the CAE hold a professional qualification, such as CMIIA/CCAB or equivalent?	✓			Risk and Assurance Partner in Moore Stephens is FCA and Associate Member of IIA
	Is the CAE suitably experienced?	✓			Partner within Moore Stephens with significant experience of internal audit provision to Local Government and beyond In-house Internal Auditor has 10 years of experience in Local Government internal audit
LGAN	Is the CAE responsible for recruiting appropriate internal audit staff, in accordance with the organisation's human resources processes?	✓			
LGAN	Does the CAE ensure that up-to-date job descriptions exist that reflect roles and responsibilities and that person specifications define the required qualifications, competencies, skills, experience and personal attributes?	✓			For Moore Stephens
	Does the internal audit activity collectively possess or obtain the skills, knowledge and other competencies required to perform its responsibilities?	✓			

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	Where the internal audit activity does not possess the skills, knowledge and other competencies required to perform its responsibilities, does the CAE obtain competent advice and assistance?			N/A	
	Do internal auditors have sufficient knowledge to evaluate the risk of fraud and anti-fraud arrangements in the organisation?	✓			
	Do internal auditors have sufficient knowledge of key information technology risks and controls?		✓		General IT risks and controls. Moore Stephens can call upon specialised IT internal audit staff from Moore Stephens Network member firms in Scotland if required
	Do internal auditors have sufficient knowledge of the appropriate computer-assisted audit techniques that are available to them to perform their work, including data analysis techniques?		✓		We do not use a computer-assisted audit programme but use computer programmes such as Excel for data analysis and relevant professional checklists
	<i>1220 Due Professional Care</i>				
	Do internal auditors exercise due professional care by considering the:				
	a) Extent of work needed to achieve the engagement's objectives?	✓			
	b) Relative complexity, materiality or significance of matters to which assurance procedures are applied?	✓			
	c) Adequacy and effectiveness of governance, risk management and control processes?	✓			
	d) Probability of significant errors, fraud, or non-compliance?	✓			

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	e) Cost of assurance in relation to potential benefits?	✓			
	Do internal auditors exercise due professional care during a consulting engagement by considering the:				
	a) Needs and expectations of clients, including the nature, timing and communication of engagement results?	✓			
	b) Relative complexity and extent of work needed to achieve the engagement's objectives?	✓			
	c) Cost of the consulting engagement in relation to potential benefits?	✓			
	<i>1230 Continuing Professional Development</i>				
LGAN	Has the CAE defined the skills and competencies for each level of auditor?	✓			At assignment level
LGAN	Does the CAE periodically assess individual auditors against the predetermined skills and competencies?	✓			Through the Moore Stephens performance appraisal system
	Do internal auditors undertake a programme of continuing professional development?	✓			
	Do internal auditors maintain a record of their professional development and training activities?	✓			Each staff member maintains a CPD log
3.4	1300 Quality Assurance and Improvement Programme				
	Has the CAE developed a Quality Assurance and Improvement Programme (QAIP) that covers all aspects of the internal audit activity and enables conformance with all aspects of the PSIAS to be evaluated?	✓			Moore Stephens – documented QAIP includes use of self-assessment checklist and external assessment every 5 years Council's QAIP

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	Does the QAIP assess the efficiency and effectiveness of the internal audit activity and identify opportunities for improvement?	✓			Moore Stephens QAIP Council's QAIP
	Does the CAE maintain the QAIP?	✓			Moore Stephens QAIP Council's QAIP
	<i>1310 Requirements of the Quality Assurance and Improvement Programme</i>				
	Does the QAIP include both internal and external assessments?	✓			Internal assessments completed annually. Last external assessment completed in July 2015
	<i>1311 Internal Assessments</i>				
LGAN	Does the CAE ensure that audit work is allocated to staff with the appropriate skills, experience and competence?	✓			
	Do internal assessments include ongoing monitoring of the internal audit activity, such as:				
	a) Routine quality monitoring processes?	✓			Through client satisfaction surveys
	b) Periodic assessments for evaluating conformance with the PSIAS?	✓			Annual internal assessment
LGAN	Does ongoing performance monitoring include comprehensive performance targets?	✓			Performance targets set out and updated on in quarterly update reports to Audit Committee

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
LGAN	Are the performance targets developed in consultation with appropriate parties and included in any service level agreement?	✓			
LGAN	Does the CAE measure, monitor and report on progress against these targets?	✓			Quarterly through update reports to Audit Committee
LGAN	Does ongoing performance monitoring include obtaining stakeholder feedback?	✓			Client satisfaction survey
	Are the periodic self-assessments or assessments carried out by people external to the internal audit activity undertaken by those with a sufficient knowledge of internal audit practices? Sufficiency would require knowledge of the PSIAS and the wider guidance available such as the Local Government Application Note and/or IIA practice advisories, etc.	✓			
LGAN	Does the periodic assessment include a review of the activity against the risk-based plan and the achievement of its aims and objectives?	✓			Quarterly update report refers to amount of work completed to date as against the plan
	<i>1312 External Assessments</i>				
	Has an external assessment been carried out, or is planned to be carried out, at least once every five years?	✓			Last external peer review in July 2015.
LGAN	Has the CAE considered the pros and cons for the different types of external assessment (ie 'full' or self-assessment plus 'independent validation')?	✓			
	Has the CAE discussed the proposed form of the external assessment and the qualifications and independence of the assessor or assessment team with the board?	✓			Moore Stephens is an outsourced provider and works with a range of IA clients. The external reviewer was of suitable quality and independence to meet the needs of all our clients

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
LGAN	Has the CAE agreed the scope of the external assessment with an appropriate sponsor, such as the chair of the audit committee, the CFO or the chief executive?		✓		Moore Stephens is an outsourced provider and works with a range of IA clients. The external reviewer was of suitable quality and independence to meet the needs of all our clients Has not become applicable yet for in-house auditor
	Has the CAE agreed the scope of the external assessment with the external assessor or assessment team?	✓			Last external peer review for Moore Stephens in July 2015
	Has the assessor or assessment team demonstrated its competence in both areas of professional practice of internal auditing and the external assessment process?	✓			
	Competence can be determined in the following ways:				
	a) experience gained in organisations of similar size	✓			
	b) complexity	✓			
	c) sector (ie the public sector)	✓			
	d) industry (ie local government), and	✓			
	e) technical experience.	✓			
	Note that if an assessment team is used, competence needs to be demonstrated across the team and not for each individual member.				

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	How has the CAE used his or her professional judgement to decide whether the assessor or assessment team demonstrates sufficient competence to carry out the external assessment?	✓			External assessor for Moore Stephens lectures for Chartered Institute of Internal Auditors and experienced in conducting external reviews
	Does the assessor or assessment team have any real or apparent conflicts of interest with the organisation? This may include, but is not limited to, being a part of or under the control of the organisation to which the internal audit activity belongs.			✓	
	<i>1320 Reporting on the Quality Assurance and Improvement Programme</i>				
	Has the CAE reported the results of the QAIP to senior management and the board?	✓			Internal assessment submitted to Board. Results of external assessment of Moore Stephens reported at October 2015 Audit Committee meeting
	Note that:				
	a) the results of both external and periodic internal assessment must be communicated upon completion	✓			In Annual Report
	b) the results of ongoing monitoring must be communicated at least annually	✓			Internal assessment checklist and in Annual Report
	c) the results must include the assessor's or assessment team's evaluation with regards to the degree of the internal audit activity's conformance with the PSIAS.	✓			
	Has the CAE included the results of the QAIP and progress against any improvement plans in the annual report?	✓			2017/18 Annual Report

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	<i>1321 Use of 'Conforms with the International Standards for the Professional Practice of Internal Auditing'</i>				
	Has the CAE stated that the internal audit activity conforms with the PSIAS only if the results of the QAIP support this?	✓			
	<i>1322 Disclosure of Non-conformance</i>				
	Has the CAE reported any instances of non-conformance with the PSIAS to the board?	✓			If they arise. None identified to date
	Has the CAE considered including any significant deviations from the PSIAS in the governance statement and has this been evidenced?			N/A	No deviations identified
4	Performance Standards				
4.1	2000 Managing the Internal Audit Activity				
	Do the results of the internal audit activity's work achieve the purposes and responsibility of the activity, as set out in the internal audit charter?	✓			
	Does the internal audit activity conform with the <i>Definition of Internal Auditing</i> and the <i>Standards</i> ?	✓			
	Do individual internal auditors, who are part of the internal audit activity, demonstrate conformance with the <i>Code of Ethics</i> and the <i>Standards</i> ?	✓			
	Does the internal audit activity add value to the organisation and its stakeholders by				
	a) Providing objective and relevant assurance?	✓			
	b) Contributing to the effectiveness and efficiency of the governance, risk management and internal control processes?	✓			
	<i>2010 Planning</i>				

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	Has the CAE determined the priorities of the internal audit activity in a risk-based plan and are these priorities consistent with the organisation's goals?	✓			Internal Audit Strategy and annual audit plan
	Does the risk-based plan take into account the requirement to produce an annual internal audit opinion?	✓			Internal Audit Strategy and annual audit plan
	Does the risk-based plan take into account the organisation's assurance framework?	✓			Internal Audit Strategy and annual audit plan
	Does the risk-based plan incorporate or is it linked to a strategic or high-level statement of:				
	a) How the internal audit service will be delivered?	✓			
	b) How the internal audit service will be developed in accordance with the internal audit charter?	✓			
	c) How the internal audit service links to organisational objectives and priorities?	✓			Through audit needs assessment to develop Internal Audit Strategy and associated annual plan
	Does the risk-based plan set out how internal audit's work will identify and address local and national issues and risks?			✓	Risks set out in assignment plans, rather than strategic or annual plan. Assessment of risks used in completion of audit needs assessment to develop Internal Audit Strategy
	In developing the risk-based plan, has the CAE taken into account the organisation's risk management framework and relative risk maturity of the organisation?	✓			Audit needs assessment to develop Internal Audit Strategy
	If such a risk management framework does not exist, has the CAE used his or her judgement of risks after input from senior management and the board and evidenced this?			N/A	

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
LGAN	Does the risk-based plan set out the:				
	a) Audit work to be carried out?	✓			Internal Audit Strategy and annual audit plan
	b) Respective priorities of those pieces of audit work?	✓			Audit areas prioritised across the Strategy period, based on priorities and risks.
	c) Estimated resources needed for the work?	✓			Annual Audit Plan
LGAN	Does the risk-based plan differentiate between audit and other types of work?	✓			
LGAN	Is the risk-based plan sufficiently flexible to reflect the changing risks and priorities of the organisation?	✓			
	Does the CAE review the plan on a regular basis and has he or she adjusted the plan when necessary in response to changes in the organisation's business, risks, operations, programmes, systems and controls?	✓			
	Is the internal audit activity's plan of engagements based on a documented risk assessment?	✓			Audit needs assessment
	Is the risk assessment used to develop the plan of engagements undertaken at least annually?	✓			
LGAN	In developing the risk-based plan, has the CAE also considered the following:				
	a) Any declarations of interest (for the avoidance for conflicts of interest)?	✓			
	b) The requirement to use specialists, eg IT or contract and procurement auditors?	✓			None identified
	c) Allowing contingency time to undertake ad hoc reviews or fraud investigations as necessary?	✓			

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	d) The time required to carry out the audit planning process effectively as well as regular reporting to and attendance of the board, the development of the annual report and the CAE opinion?	✓			Identified separately within the resourcing of the plan
	Is the input of senior management and the board considered in the risk assessment process?	✓			Senior management took part in audit needs assessment. Discussed by Audit Committee
	Does the CAE identify and consider the expectations of senior management, the board and other stakeholders for internal audit opinion and any other conclusions?	✓			
	Does the CAE take into consideration any proposed consulting engagement's potential to improve the management of risks, to add value and to improve the organisation's operations before accepting them?	✓			
	Are consulting engagements that have been accepted included in the risk-based plan?	✓			If they have been identified prior to the development of the plan. If not, they are identified clearly in the annual internal audit report
	<i>2020 Communication and Approval</i>				
	Has the CAE communicated the internal audit activity's plans and resource requirements to senior management and the board for review and approval?	✓			Internal Audit Strategy and annual audit plan
	Has the CAE communicated any significant interim changes to the plan and/or resource requirements to senior management and the board for review and approval, where such changes have arisen?			N/A	None have arisen
	Has the CAE communicated the impact of any resource limitations to senior management and the board?			N/A	None have arisen

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	<i>2030 Resource Management</i>				
	Does the risk-based plan explain how internal audit's resource requirements have been assessed?	✓			Moore Stephens resource requirements based on tender. Audit resources set out in Internal Audit Strategy and Annual Plan
LGAN	Has the CAE planned the deployment of resources, especially the timing of engagements, in conjunction with management to minimise abortive work and time?	✓			Timings for completion of assignments are planned (after approval of the Internal Audit Plan by the Audit Committee) and agreed with Directors and Heads of Service. Timings are then confirmed with relevant senior officers and amended as required to ensure that minimum disruption to the Council
LGAN	If the CAE believes that the level of agreed resources will impact adversely on the provision of the internal audit opinion, has he or she brought these consequences to the attention of the board? This may include an imbalance between the work plan and resource availability and/or other significant matters that jeopardise the delivery of the plan or require it to be changed.	✓			None identified.
	<i>2040 Policies and Procedures</i>				
	Has the CAE developed and put into place policies and procedures to guide the internal audit activity?	✓			Internal Audit manual

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
LGAN	Has the CAE established policies and procedures to guide staff in performing their duties in a manner that conforms to the PSIAS? Examples include maintaining an audit manual and/or using electronic management systems.	✓			Internal Audit Manual
LGAN	Are the policies and procedures regularly reviewed and updated to reflect changes in working practices and standards?	✓			Moore Stephens Internal Audit manual developed and shared with Moore Stephens internal audit staff. Last comprehensive updated was in 2016; but also updated on an ongoing basis as required.
	<i>2050 Coordination</i>				
	Does the risk-based plan include the approach to using other sources of assurance and any work that may be required to place reliance upon those sources?			✓	Not considered necessary. Other sources of assurance considered as part of individual assignments.
LGAN	Has the CAE carried out an assurance mapping exercise as part of identifying and determining the approach to using other sources of assurance?			✓	
	Does the CAE share information and coordinate activities with other internal and external providers of assurance and consulting services?	✓			With the Local Government Auditor
LGAN	Does the CAE meet regularly with the nominated external audit representative to consult on and coordinate their respective audit plans?		✓		Meets at quarterly Audit Committee meetings. Discussions as required

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	<i>2060 Reporting to Senior Management and the Board</i>				
	Does the CAE report periodically to senior management and the board on the internal audit activity's purpose, authority, responsibility and performance relative to its plan?	✓			At each quarterly Audit Committee meeting
	Does the periodic reporting also include significant risk exposures and control issues, including fraud risks, governance issues and other matters needed or requested by senior management and the board?	✓			As required
	Is the frequency and content of such reporting determined in discussion with senior management and the board and are they dependent on the importance of the information to be communicated and the urgency of the related actions to be taken by senior management or the board?	✓			Urgent issues that may be identified would be brought to the attention of the senior management or board by the Risk and Assurance Partner in advance of an Audit Committee meeting
	<i>2070 External Service Provider and Organisational Responsibility for Internal Auditing</i>				
	Where an external internal audit service provider acts as the internal audit activity, does that provider ensure that the organisation is aware that the responsibility for maintaining and effective internal audit activity remains with the organisation?	✓			Council operates under a co-sourced arrangement. Through the Internal Audit Charter
4.2	2100 Nature of Work				
	Does the internal audit activity evaluate and contribute to the improvement of the organisation's governance, risk management and internal control processes?	✓			
	Does the internal audit activity evaluate and contribute to the improvement of the above using a systematic and disciplined approach and is this evidenced?	✓			Approach set out in the annual report
	<i>2110 Governance</i>				
	Does the internal audit activity:				

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	a) Promote appropriate ethics and values within the organisation?	✓			
	b) Ensure effective organisational performance management and accountability?	✓			
	c) Communicate risk and control information to appropriate areas of the organisation?	✓			
	d) Coordinate the activities of and communicate information among the board, external and internal auditors and management?	✓			
	Does the internal audit activity assess and make appropriate recommendations for improving the governance process as part of accomplishing the above objectives?	✓			Through the internal audit reports
	Has the internal audit activity evaluated the:				
	a) Design			✓	Audit plan based on audit needs assessment
	b) implementation, and			✓	Audit plan based on audit needs assessment
	c) effectiveness			✓	Audit plan based on audit needs assessment
	of the organisation's ethics-related objectives, programmes and activities?				
	Has the internal audit activity assessed whether the organisation's information technology governance supports the organisation's strategies and objectives?	✓			IT environment reviewed in 2016/17 by internal audit of the shared service and followed up in 2017/18
LGAN	Has the CAE considered the proportionality of the amount of work required to assess the ethics and information technology governance of the organisation when developing the risk-based plan?			✓	Audit plan based on audit needs assessment

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	<i>2120 Risk Management</i>				
	Has the internal audit activity evaluated the effectiveness of the organisation's risk management processes by determining that:				
	a) Organisational objectives support and align with the organisation's mission?	✓			Consideration of risk management as part of audit needs assessment. Individual assignments consider risk management within the specific area
	b) Significant risks are identified and assessed?	✓			Consideration of risk management as part of audit needs assessment. Individual assignments consider risk management within the specific area
	c) Appropriate risk responses are selected that align risks with the organisation's risk appetite?	✓			Consideration of risk management as part of audit needs assessment. Individual assignments consider risk management within the specific area
	d) Relevant risk information is captured and communicated in a timely manner across the organisation, thus enabling the staff, management and the board to carry out their responsibilities?	✓			Consideration of risk management as part of audit needs assessment. Individual assignments consider risk management within the specific area. Audit of risk management was completed in 2017/18 and will be followed up in 2018/19

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	Has the internal audit activity evaluated the risks relating to the organisation's governance, operations and information systems regarding the:				
	a) Achievement of the organisation's strategic objectives?	✓			Consideration of risk management as part of audit needs assessment. Individual assignments consider risk management within the specific area. Audit of corporate and business planning completed in 2017/18 and will be followed up in 2018/19. Progress of performance improvement projects is audited every year by internal audit
	b) Effectiveness and efficiency of operations and programmes?	✓			As required within each assignment
	c) Safeguarding of assets?	✓			As required within each assignment. Asset management, fleet management and land and property audits were completed in 2016/17 and followed up in 2017/18.
	d) Compliance with laws, regulations, policies, procedures and contracts?	✓			As required within each assignment
	Has the internal audit activity evaluated the potential for fraud and also how the organisation itself manages fraud risk?	✓			Fraud and potential for fraud considered in each assignment and particularly those relating to financial systems

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	Do internal auditors address risk during consulting engagements consistently with the objectives of the engagement?	✓			
	Are internal auditors alert to other significant risks when undertaking consulting engagements?	✓			
	Do internal auditors successfully avoid managing risks themselves, which would in effect lead to taking on management responsibility, when assisting management in establishing or improving risk management processes?	✓			
	<i>2130 Control</i>				
	Has the internal audit activity evaluated the adequacy and effectiveness of controls in the organisation's governance, operations and information systems regarding the:				
	a) Achievement of the organisation's strategic objectives?	✓			Corporate and business planning audit completed in 2017/18
	b) Reliability and integrity of financial and operational information?	✓			Elements of financial systems reviewed each year. Income and debtors and payroll was reviewed in 2016/17 and followed up in 2017/18. A Grant funding audit was performed in 2017/18.
	c) Effectiveness and efficiency of operations and programmes?	✓			As required within each assignment

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	d) Safeguarding of assets?	✓			As required within each assignment. Asset management, fleet management and land and property audits were completed in 2016/17 and followed up in 2017/18.
	e) Compliance with laws, regulations, policies, procedures and contracts?	✓			As required within each assignment
	Do internal auditors utilise knowledge of controls gained during consulting engagements when evaluating the organisation's control processes?	✓			
4.3	2200 Engagement Planning				
	Do internal auditors develop and document a plan for each engagement?	✓			Assignment terms of reference
	Does the engagement plan include the engagement's:				
	a) Objectives?	✓			Assignment terms of reference
	b) Scope?	✓			Assignment terms of reference
	c) Timing?	✓			Assignment terms of reference
	d) Resource allocations?	✓			Assignment terms of reference
	Do internal auditors consider the following in planning an engagement, and is this documented:				
	a) The objectives of the activity being reviewed?	✓			Assignment terms of reference
	b) The means by which the activity controls its performance?	✓			Assignment terms of reference

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	c) The significant risks to the activity being audited?	✓			Assignment terms of reference
	d) The activity's resources?	✓			Assignment terms of reference (where these are known at the time of developing the plan)
	e) The activity's operations?	✓			Assignment terms of reference
	f) The means by which the potential impact of risk is kept to an acceptable level?	✓			Assignment terms of reference (where these are known at the time of developing the plan)
	g) The adequacy and effectiveness of the activity's governance, risk management and control processes compared to a relevant framework or model?	✓			Compared to Council's policies and procedures and any other relevant frameworks within each individual assignment
	h) The opportunities for making significant improvements to the activity's governance, risk management and control processes?	✓			
	For consulting engagements, have internal auditors established an understanding with the engagement clients about the following:				
	a) Objectives?	✓			Consulting assignment's terms of reference
	b) Scope?	✓			Consulting assignment's terms of reference
	c) The respective responsibilities of the internal auditors and the client and other client expectations?	✓			Consulting assignment's terms of reference
	For significant consulting engagements, has this understanding been documented?	✓			Consulting assignment's terms of reference

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	<i>2210 Engagement Objectives</i>				
	Have objectives been agreed for each engagement?	✓			Assignment terms of reference
	Have internal auditors carried out a preliminary risk assessment of the activity under review?	✓			Assignment terms of reference
	Do the engagement objectives reflect the results of the preliminary risk assessment that has been carried out?	✓			Assignment terms of reference
	Have internal auditors considered the probability of the following, when developing the engagement objectives:				
	a) Significant errors?	✓			Assignment terms of reference
	b) Fraud?	✓			Assignment terms of reference
	c) Non-compliance?	✓			Assignment terms of reference
	d) Any other risks?	✓			Assignment terms of reference
	Have internal auditors ascertained whether management and/or the board have established adequate criteria to evaluate and determine whether objectives and goals have been accomplished?	✓			Criteria and objectives set out in assignment terms of reference which are agreed with relevant management prior to the assignment commencing. Assignments terms of reference also reflect objectives of the service
	If the criteria have been deemed adequate, have the internal auditors used the criteria in their evaluation of governance, risk management and controls?	✓			
	If the criteria have been deemed inadequate, have the internal auditors worked with management and/or the board to develop appropriate evaluation criteria?			N/A	

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
LGAN	If the value for money criteria have been referred to, has the use of all the organisation's main types of resources been considered; including money, people and assets?				VFM criteria considered when appropriate
	Do the objectives set for consulting engagements address governance, risk management and control processes as agreed with the client?	✓			As required. Training to Audit Committee provided in December 2017
	Are the objectives set for consulting engagements consistent with the organisation's own values, strategies and objectives?	✓			As required. Training to Audit Committee provided in December 2017
	<i>2220 Engagement Scope</i>				
	Is the scope that is established for the engagement sufficient to satisfy the engagement's objectives?	✓			
	Does the engagement scope include consideration of the following relevant areas of the organisation:				
	a) Systems?	✓			Assignment terms of reference
	b) Records?	✓			Assignment terms of reference
	c) Personnel?	✓			Assignment terms of reference
	d) Premises?	✓			Assignment terms of reference
	Does the engagement scope include consideration of the following relevant areas under the control of outside parties, where appropriate:			N/A	If required. None identified to date
	a) Systems?			N/A	
	b) Records?			N/A	

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	c) Personnel?			N/A	
	d) Premises?			N/A	
	Where significant consulting opportunities have arisen during an assurance engagement, was a specific written understanding as to the objectives, scope, respective responsibilities and other expectations drawn up?			N/A	
	Where significant consulting opportunities have arisen during an assurance engagement, were the results of the subsequent engagement communicated in accordance with the relevant consulting Standards?			N/A	
	For a consulting engagement, was the scope of the engagement sufficient to address any agreed-upon objectives?			N/A	
	If the internal auditors developed any reservations about the scope of a consulting engagement while undertaking that engagement, did they discuss those reservations with the client and therefore determine whether or not to continue with the engagement?			N/A	
	During consulting engagements, did internal auditors address the controls that are consistent with the objectives of those engagements?			N/A	
	During consulting engagements, were internal auditors alert to any significant control issues?			N/A	
	<i>2230 Engagement Resource Allocation</i>				
	Have internal auditors decided upon the appropriate and sufficient level of resources required to achieve the objectives of the engagement based on:				
	a) The nature and complexity of each individual engagement?	✓			
	b) Any time constraints?	✓			

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	c) The resources available?	✓			
	<i>2240 Engagement Work Programme</i>				
	Have internal auditors developed and documented work programmes that achieve the engagement objectives?	✓			Assignment terms of reference and Internal Auditor individual work programmes
	Do the engagement work programmes include the following procedures for:				
	a) Identifying information?	✓			
	b) Analysing information?	✓			
	c) Evaluating information?	✓			
	d) Documenting information?	✓			
	Were work programmes approved prior to implementation for each engagement?	✓			Assignment terms of reference reviewed by Moore Stephens Risk and Assurance Partner/and or manager. Assignment terms of reference sent to relevant staff in the Council in advance of each assignment to allow time for input.
	Were any adjustments required to work programmes approved promptly?	✓			Client feedback taken on board where applicable
4.4	2300 Performing the Engagement				
	Have internal auditors carried out the following in order to achieve each engagement's objectives:				

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	a) Identify sufficient information?	✓			
	b) Analyse sufficient information?	✓			
	c) Evaluate sufficient information?	✓			
	d) Document sufficient information?	✓			
	<i>2310 Identifying Information</i>				
	Have internal auditors identified the following in order to achieve each engagement's objectives:				
	a) Sufficient information?	✓			
	b) Reliable information?	✓			
	c) Relevant information?	✓			
	d) Useful information?	✓			
	<i>2320 Analysis and Evaluation</i>				
	Have internal auditors based their conclusions and engagement results on appropriate analyses and evaluations?	✓			Audit assignment reports
LGAN	Have internal auditors remained alert to the possibility of the following:				
	a) intentional wrongdoing	✓			Assignment reports
	b) errors and omissions	✓			Assignment reports
	c) poor value for money	✓			Assignment reports
	d) failure to comply with management policy, and	✓			Assignment reports

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	e) conflicts of interest	✓			Assignment reports
	when performing their individual audits, and has this been documented?				Assignment reports
	<i>2330 Documenting Information</i>				
	Have internal auditors documented the relevant information required to support engagement conclusions and results?	✓			
LGAN	Are working papers sufficiently complete and detailed to enable another experienced internal auditor with no previous connection with the audit to ascertain what work was performed, to re-perform it if necessary and to support the conclusions reached?	✓			Working papers
	Does the CAE control access to engagement records?	✓			
	Has the CAE obtained the approval of senior management and/or legal counsel as appropriate before releasing such records to external parties?			N/A	No papers released to external parties
	Has the CAE developed and implemented retention requirements for all types of engagement records?	✓			Moore Stephens document retention policies Council's records retention policies
	Are the retention requirements for engagement records consistent with the organisation's own guidelines as well as any relevant regulatory or other requirements?	✓			
	<i>2340 Engagement Supervision</i>				
	Are all engagements properly supervised to ensure that objectives are achieved, quality is assured and that staff are developed?	✓			Internal Audit Partner and Manager supervise each engagement directly

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	Is appropriate evidence of supervision documented and retained for each engagement?	✓			In-house Internal Auditor is supervised by the Director of Corporate Services
4.5	2400 Communicating Results				
	Do internal auditors communicate the results of engagements?	✓			Close-out meeting held for each audit. Draft reports issued to relevant staff. Final reports issued to Chief Executive and relevant senior staff before being presented to Audit Committee
	<i>2410 Criteria for Communicating</i>				
	Do the communications of engagement results include the following:				
	a) The engagement's objectives?	✓			Assignment reports
	b) The scope of the engagement?	✓			Assignment reports
	c) Applicable conclusions?	✓			Assignment reports
	d) Recommendations and action plans, if appropriate?	✓			Assignment reports
LGAN	Has the internal auditor discussed the contents of the draft final report with the appropriate levels of management to confirm factual accuracy, seek comments and confirm the agreed management actions?	✓			Draft reports issued to relevant staff member and Director/ Head of Service/Service Unit
LGAN	If recommendations and an action plan have been included, are recommendations prioritised according to risk?	✓			Assignment report

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
LGAN	If recommendations and an action plan have been included, does the communication also state agreements already reached with management, together with appropriate timescales?	✓			Assignment report
LGAN	If there are any areas of disagreement between the internal auditor and management, which cannot be resolved by discussion, are these recorded in the action plan and the residual risk highlighted?	✓			None have arisen
LGAN	Do communications disclose all material facts known to them in their audit reports which, if not disclosed, could distort their reports or conceal unlawful practice, subject to confidentiality requirements?	✓			
LGAN	Do the final communications of engagement results contain, where appropriate, the internal auditor's opinions and/or conclusions, building up to the annual internal audit opinion on the control environment?	✓			Assignment reports
	When an opinion or conclusion is issued, are the expectations of senior management, the board and other stakeholders taken into account?	✓			Assignment reports
	When an opinion or conclusion is issued, is it supported by sufficient, reliable, relevant and useful information?	✓			Assignment reports
	Where appropriate, do engagement communications acknowledge satisfactory performance of the activity in question?	✓			Assignment reports
	When engagement results have been released to parties outside of the organisation, does the communication include limitations on the distribution and use of the results?			N/A	Assignment reports not released to parties outside the organisation
LGAN	If the CAE has been required to provide assurance to other partnership organisations, has he or she also demonstrated that their fundamental responsibility is to the management of the organisation to which they are obliged to provide internal audit services?			N/A	

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	<i>2420 Quality of Communications</i>				
	Are communications:				
	a) Accurate?	✓			Client satisfaction surveys
	b) Objective?	✓			Client satisfaction surveys
	c) Clear?	✓			Client satisfaction surveys
	d) Concise?	✓			Client satisfaction surveys
	e) Constructive?	✓			Client satisfaction surveys
	f) Complete?	✓			Client satisfaction surveys
	g) Timely?	✓			Client satisfaction surveys
	<i>2421 Errors and Omissions</i>				
	If a final communication has contained a significant error or omission, did the CAE communicate the corrected information to all parties who received the original communication?	✓			If such a situation arises it will be corrected and communicated
	<i>2430 Use of 'Conducted in Conformance with the International Standards for the Professional Practice of Internal Auditing'</i>				
	Do internal auditors report that engagements are 'conducted in conformance with the PSIAS' only if the results of the QAIP support such a statement?	✓			
	<i>2431 Engagement Disclosure of Nonconformance</i>				
	Where any non-conformance with the PSIAS has impacted on a specific engagement, do the communication of the results disclose the following:				

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	a) The principle or rule of conduct of the <i>Code of Ethics</i> or <i>Standard(s)</i> with which full conformance was not achieved?			N/A	If the situation arises this will be communicated
	b) The reason(s) for non-conformance?			N/A	If the situation arises this will be communicated
	c) The impact of non-conformance on the engagement and the engagement results?			N/A	If the situation arises this will be communicated
	<i>2440 Disseminating Results</i>				
	Has the CAE determined the circulation of audit reports within the organisation, bearing in mind confidentiality and legislative requirements?	✓			Audit reports circulated to Chief Executive and relevant senior staff
	Has the CAE communicated engagement results to all appropriate parties?	✓			
	Before releasing engagement results to parties outside the organisation, did the CAE:			N/A	Engagement results not issued to parties outside the Council
	a) Assess the potential risk to the organisation?				
	b) Consult with senior management and/or legal counsel as appropriate?				
	c) Control dissemination by restricting the use of the results?				
	Where any significant governance, risk management and control issues were identified during consulting engagements, were these communicated to senior management and the board?			N/A	None identified
	<i>2450 Overall Opinion</i>				
	Has the CAE delivered an annual internal audit opinion?	✓			Opinion delivered for 2017/18

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
	Does the annual internal audit opinion conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control?	✓			Annual audit report
	Does the annual internal audit opinion take into account the expectations of senior management, the board and other stakeholders?	✓			
	Is the annual internal audit opinion supported by sufficient, reliable, relevant and useful information?	✓			Annual audit report. Assignment reports
	Does the communication identify the following:				
	a) The scope of the opinion, including the time period to which the opinion relates?	✓			Annual audit report
	b) Any scope limitations?	✓			Annual audit report
	c) The consideration of all related projects including the reliance on other assurance providers?	✓			Annual audit report
	d) The risk or control framework or other criteria used as a basis for the overall opinion?	✓			Annual audit report
	Where a qualified or unfavourable annual internal audit opinion is given, are the reasons for that opinion stated?	✓			None given but reasons for the opinion would be stated if the need arose
	Has the CAE delivered an annual report that can be used by the organisation to inform its governance statement?	✓			Annual audit report
	Does the annual report incorporate the following:				
	a) The annual internal audit opinion?	✓			Annual audit report
LGAN	b) A summary of the work that supports the opinion?	✓			Annual audit report

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
LGAN	c) A disclosure of any qualifications to the opinion?	N/A			No qualifications made
LGAN	d) The reasons for any qualifications to the opinion?	N/A			
LGAN	e) A disclosure of any impairments or restriction in scope?	N/A			None identified
LGAN	f) A comparison of work actually carried out with the work planned?	✓			Annual audit report
	g) A statement on conformance with the PSIAS?	✓			Annual audit report
LGAN	h) The results of the QAIP?	✓			Annual audit report
LGAN	i) Progress against any improvement plans resulting from the QAIP?	✓			Annual audit report
LGAN	j) A summary of the performance of the internal audit activity against its performance measures and targets?	✓			Annual audit report
	k) Any other issues that the CAE judges is relevant to the preparation of the governance statement?	✓			
4.6	2500 Monitoring Progress				
	Has the CAE established a process to monitor and follow up management actions to ensure that they have been effectively implemented or that senior management have accepted the risk of not taking action?	✓			Review of prior year recommendations part of the Annual Audit Plan
	Where issues have arisen during the follow-up process, has the CAE considered revising the internal audit opinion?			N/A	No issues identified that would give rise to a revision of opinion
	Do the results of monitoring management actions inform the risk-based planning of future audit work?	✓			
	Does the internal audit activity monitor the results of consulting engagements as agreed with the client?	✓			

**Checklist for Assessing Conformance with the PSIAS and the Local Government Application Note
Causeway Coast and Glens Borough Council 2017/18**

Ref	Conformance with the Standard	Yes	Partial	No	Evidence
4.7	2600 Communicating the Acceptance of Risks				
	If the CAE has concluded that management has accepted a level of risk that may be unacceptable to the organisation, has he or she discussed the matter with senior management?			N/A	Not identified. If the situation arose the CAE would communicate this to the Chief Executive and Director of Corporate Services
	If, after discussion with senior management, the CAE continues to conclude that the level of risk may be unacceptable to the organisation, has he or she communicated the situation to the board?			N/A	Not identified. If the situation arose the CAE would communicate this to the Audit Committee