

Annual Review of Internal Control

“(1) The relevant body shall be responsible for ensuring that the financial management of the body is adequate and effective and that the body has a sound system of internal control which facilitates the effective exercise of that body's functions and which includes arrangements for the management of risk.

The Accounts and Audit Regulations 2003:

(2) The relevant body shall conduct a review at least once in a year of the effectiveness of its system of internal control”

The system of internal control is designed to reduce the financial risk of the Parish Council to an acceptable level.

Internal Control:

Financial Management: The Parish Council has approved a set of Financial Regulations which set out the way that Council's finances are to be managed. These are reviewed and approved once a year.

Two Councillors, out of four named signatories, must sign all cheques and other financial documents.

Online payments may be set up by the Clerk or RFO following authorisation by the full Council and will be authorised by one of three or more authorised signatories.

The Clerk or RFO may carry out transfers within the Parish Council's bank accounts.

The cheque signatory shall check and initial the supporting document at the time of signing to ensure that the cheque agrees with the amount of the invoice and the payee named on the invoice. The cheque stub should also be initialled to record that the name on the cheque stub is the same as that on the cheque.

The list of online payments will be agreed to supporting documentation before payment, to ensure that the online payment agrees with the amount of the invoice and the payee named on the invoice. The list of authorised **online** payments will be checked by a non-signatory Councillor to the bank statement at the following meeting to ensure that payments were made to the correct person or company.

The Clerk is the Responsible Financial Officer and is responsible for the day-to-day financial management of the Council. The duties of the Responsible Financial Officer are reviewed and approved once a year. The RFO shall report all payments to the Council.

On or before the January meeting, the Council shall review the budget in detail and shall decide on the precept for the forthcoming year.

The Council has appointed an independent and competent internal auditor and carries out a review of the effectiveness of the internal audit annually. The internal auditor reports their findings to the full Council and completes Section 4 of the Annual Return.

Internal audit:

The Council's external auditors are PKF Littlejohn, who complete Section 3 of the Annual Return; their comments and recommendations are reported to the full Council.

External audit:

This review shall be carried out once a year and recorded in the Council's minutes.

Review:

Signed:

Chairman

Dated:

Signed:

Responsible Financial Officer

Dated: