 REPPS with BASTWICK PARISH COUNCIL

Annual Review of the Effectiveness of Internal Control

## The Accounts and Audit Regulations 2003:

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

## Internal Control:

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

## Financial Management:

The Parish Council has approved a set of financial standing orders 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 three named signatories, must sign all cheques and other financial documents. Online payment, if applicable, may be made **jointly by the clerk and the chairman** following authorisation by two out of three named signatories.

The clerk may carry out transfers within the Parish Council’s bank accounts.

The cheque signatory shall check 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 be initialled to record that the name on the cheque stub is the same as that on the cheque.

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

When meetings are held virtually the RFO will email the payment schedule and a copy of each invoice to be paid to the Councillors, at a minimum, 2 days before the meeting.

A councillor shall review the clerk’s bank reconciliations quarterly, including at the year-end, and shall complete a review sheet as evidence of this check.

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.

The Council shall review the budget in detail and shall decide on the precept for the forthcoming year on or by the January meeting.

## Internal audit:

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

## External 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.

## Review:

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

Signed: Signed: Claudia Dickson

Chairman Responsible Financial Officer

Dated: Dated: