

## Chelmondiston Parish Council

### STATEMENT ON INTERNAL CONTROL FOR THE YEAR ENDING 31 MARCH 2022

#### 1. SCOPE OF RESPONSIBILITY

**Chelmondiston Parish Council** is responsible for ensuring that its business is conducted by following the law and proper standards and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

The Council is responsible for ensuring that there is a sound system of internal control, which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk.

#### 2. THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

#### 3. THE INTERNAL CONTROL ENVIRONMENT

##### **The Council:**

The Council reviews its obligations and objectives and approves budgets for the following year at its December/January meetings. The Council approves the level of precept for the following financial year at the December/January meeting.

The Council has appointed an Advisory Finance Group (AFG), which meets once a year (at the end of the year) during the financial year ending 2021.

The notes of the meetings of the Advisory Finance Group are circulated to all members of the Council. The AFG recommends to the full council – only the full council can consider and approve all financial activities.

The full Council meets upto 12 times each year and monitors progress against its aims and objectives at each meeting by receiving relevant reports from the Clerk/RFO.

Each month the Parish Clerk/RFO provides the members with a copy of the Bank Statements.

The Council carries out regular reviews of its internal controls, systems and procedures. Findings are Minuted at the Council meeting.

##### **Clerk to the Council/Responsible Finance Officer:**

The Council has appointed a Clerk to the Council who acts as the Council's advisor and administrator. The Clerk is the Council's Responsible Financial Officer and is responsible for administering the Council's finances. The Clerk is responsible for advising on the day-to-day

compliance with laws and regulations that the Council is subject to and for managing risks. The Clerk also provides advice to help the Council ensure that its procedures, control systems and policies are adhered to.

**Payments:**

All payments are put on the agenda/public agenda for Council's approval. Two members of the Council must sign every cheque or order for payment. The signatories should consider each cheque against the relevant invoice, sign the invoice and initial the cheque counterfoil. All authorised cheque signatories are members of the Council. No officer of the Council can sign cheques.

The Parish Clerk/RFO has the authority for Telephone Banking to transfer and check the balances of the Council's bank accounts. Procedures are in place with the designated bank to ensure that the officer cannot withdraw any funds or transfer any funds into any bank accounts other than between the Council's bank accounts.

Please note that Cllr Robert Bareham is the partner of the Parish Clerk/RFO and is a member of the Advisory Finance Group. He is excluded from a discussion concerning the Parish Clerk's/RFO annual salary review and is not a cheque signatory.

**Income:**

All income is received and banked in the Council's name promptly and reported to the Council at each meeting.

**Risk Assessments/Risk Management:**

The Council reviews its Financial Risk Assessment annually between October and December and regularly reviews its systems and controls.

**Internal Audit:**

The Council appoints an independent internal auditor who reports to the Council every year on the adequacy of its:

- Records
- Procedures
- Systems
- Internal control
- Regulations
- Risk management

The Internal Auditor not only emails a report to the Parish Clerk/RFO but also to the Chairman of the full council to ensure transparency is ensured.

**External Audit:**

The Council's external auditors, submit an annual Certificate of Audit, which is presented to the Council every year. THE Certificate of Audit is available to view on the council's website and the noticeboards.

**4. REVIEW OF EFFECTIVENESS**

The Council has responsibility for conducting an annual review of the effectiveness of the system of internal control, which should include a review of the effectiveness of the internal audit. The results of that review must be considered by the Council, which should also approve the Statement on Internal Control.

**Approved by Full Council: Parish Council Meeting**

**Chairman and RFO were given the authority to sign the document**

**Chairman.....Cllr David Cordle... ..**

**Date.....11/01/2022.....**

**RFO.....Jill Davis.....**

**Date.....11/01/2022.....**