



Farnsfield Parish Council Internal Controls

RESPONSIBILITIES OF THE CLERK

1. To ensure that income & expenditure are in accordance with budgets
2. To ensure that all income that is due is received
3. To ensure that all invoices to be paid are authorised
4. To ensure that the books of account are maintained on a regular basis and are ~~regularly~~ reconciled monthly
5. To ensure the Credit Card is paid in full and reconciled within the accounting software
6. To ensure that all cheques are signed by two authorised signatories
7. To prepare a simple monthly financial overview to present to the Full Council and support a more detailed review by the Finance and Risk Committee on a quarterly basis
8. To upload to the bank reconciliation and corresponding bank statement to the SharePoint each month
9. To prepare annual estimates for budget setting
10. To inform the District Council of Precept figures each year
11. To reclaim VAT
12. To review Financial Regulations annually
13. To ensure that the payment of all salaries and wages including the Clerk is made correctly and on time
14. To complete the end of year returns to HMRC
15. To ensure a competent independent Internal Auditor is appointed
16. To complete the Statement of Assurance
17. To produce and maintain a Register of Assets
18. To annually review all Risk Assessments and continually review all play areas and equipment
19. To ensure that insurance is adequate and relevant

RESPONSIBILITIES OF THE COUNCILLORS

1. Check to ensure that the accounting records are correct and in good order
2. Check bank reconciliation and bank statement each month
3. Check the Credit Card statement monthly to ensure it is being used correctly and is reconciled within the accounting software
4. Check that financial updates produced to council agree with the accounting records
5. Check all invoices and payment details
6. Check that all income due is actually received
7. Review Financial Regulations regularly
8. Sign the annual Statement of Assurance



INTERNAL AUDIT

Arrangements:

1. The Clerk shall be responsible for maintaining an adequate and effective system of Internal Audit of the Council's accounting, financial and other operations in accordance with The Accounts and Audit Regulations 2015 Part 2 (3)
2. The appointed Internal Auditor will be independent from the Council.
3. The appointed Internal Auditor will be competent in audit planning and reporting.

Annual review of the effectiveness of the Internal Audit

1. The Council will confirm that the Statement of Assurance has been approved by the Council and state the minute number and date. The statement will be certified by the Chairman and the Clerk.
2. The Council will review the effectiveness of the Internal Audit each year.
3. The Internal Auditor will check that the proper books of accounts have been kept throughout the year.
4. The Internal Auditor will check on a sample of payments to ensure that the financial regulations have been adhered to, payments are supported by invoices, expenditure is approved, and VAT is accounted for correctly.
5. The Internal Auditor will review the effectiveness of the Council's Risk Assessment.
6. The Internal Auditor will verify that the annual precept has been properly calculated and that the Council's reserves are adequate.
7. The internal Auditor will check the income and expenditure records.
8. The Internal Auditor will check petty cash records
9. The Internal Auditor will check salaries records, ensuring proper approval and application of PAYE
10. The Internal Auditor will check the accuracy of asset and investment registers.
11. The Internal Auditor will check the accuracy of year-end financial statements.
12. The Internal Auditor will inform the Council of any identified risks
13. The Council will put into practice recommendations from the Internal and External Auditor.

STATEMENT OF ASSURANCE

The Council confirms that it has:

1. Approved the accounts which have been prepared in accordance with the Accounts and Audit Regulations 2015
2. Maintained an adequate system of internal control
3. Only done things that it has the legal power to do and has conformed with codes of practice and standards
4. Carried out a risk assessment and dealt appropriately with issues arising.
5. Appointed an internal auditor who is competent and independent.
6. Taken appropriate action on matters raised by both the internal & external auditors
7. Given electors the opportunity to inspect and ask questions about the council's business
8. Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant