



Document : **Statement of Internal Control**

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Reviewed by : D Hatton (Clerk)

Actions/Amendments	1) Amendment to formatting. 2) Amendment to change references from JPAG to SAPPP. 3) Noting this is a statement and not a policy, content has been removed that is contained within the relevant parent policy to avoid duplication.
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Date adopted :

Date of next review :



Great Coxwell Parish Council – Statement of Internal Control

1. Introduction.

1.1. Great Coxwell Parish Council (the Council) is a local authority funded primarily by the collection of public money (Precept) and is responsible for ensuring its financial business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively.

In discharging this overall responsibility, the Council is also responsible for ensuring that there is a sound system of internal controls which facilitate the effective exercise of the Council's functions and includes arrangements for the management of risk.

The Council is required to review at least annually the effectiveness of its systems. This review is primarily conducted by the work of the Internal Auditor (required for the Annual Governance and Accounting Return (AGAR)) and frequent analysis/ratification of the financial position of the Council by its members using internal reports.

Subject to the annual income of the Council an External Audit may be required (for the financial year 2024-5 the Council was exempt from this requirement).

2. Purpose.

2.1. The Council's system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure. It cannot provide an absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the Council's policies, aims and objectives. Once these risks are identified, to evaluate the likelihood of the risk being realised, and implement procedures to manage them effectively and economically.

The system of internal controls accords with the practices set out in the SAPPP – Practitioners Guide 2025 (Previous Joint Panel on Accountability and Governance)



3. Internal Control – Methods.

3.1. Standing Orders.

3.1.1. Model Standing Orders are provided by the National Association of Local Councils (NALC) working in conjunction with the Society of Locals Clerks (SLCC) to provide a basis of operations required by legal statute. The Council should review annually as a minimum that the current model is being used and has been appropriately adapted for its needs and requirements where relevant and applicable (statutory requirements must not be amended).

3.2. Financial Regulations.

3.2.1. Model Financial Regulations are provided by the National Association of Local Councils (NALC) working in conjunction with the Society of Locals Clerks (SLCC) to provide a basis of operations required by legal statute. The Council should review annually as a minimum that the current model is being used and has been appropriately adapted for its needs and requirements where relevant and applicable (statutory requirements must not be amended).

3.3. Employment.

3.3.1. Authorities are an employer and are required to be registered with HMRC.
3.3.2. All employers are required by law to hold Employers Liability Insurance and should hold an appropriate level of Fidelity Insurance relevant to its operations.

3.4. VAT.

3.4.1. VAT is a complex issue and must be dealt with in accordance with the requirements in place at the time.
3.4.2. Where applicable ‘Making Tax Digital’ approved software should be used and for non-registered authorities using VAT126 regular checks regarding outstanding VAT should be conducted to ensure funds are claimed without delay.



3.5. Asset Register.

- 3.5.1. An asset register should be maintained detailing the Fixed and Tangible assets held by the Council.
- 3.5.2. For completion of the AGAR, the asset register should contain all current fixed and tangible assets.
- 3.5.3. A separate list of all assets disposed of during the financial year should be maintained.