



WOOLFARDISWORTH PARISH COUNCIL

Clerk: Lisa Hutchings, 2 Pillman Drive, Hartland, EX39 6ED
Telephone: 01237 441579 or 07917354619

Statement of Internal Control for Year Ending 31st March 2020

1. Scope of Responsibility

Woolfardisworthy Parish Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, 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 that enables it to effectively exercise the Council's functions, and which includes arrangements for the management of risk.

2. The Purpose of the Internal Control System

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all the risks of failure; the system can only provide reasonable and not absolute assurance of effectiveness. It is an ongoing process designed to identify and prioritise the risks to achieving the Council's policies, aims and objectives, to evaluate the likelihood of happening, their impact, and how to manage them efficiently, effectively and economically

3. The Internal Control Environment

The Council

The Council reviews its objectives and develops a budget for the following year at its November and December meetings. The December meeting approves the annual budget and the level of precept for the following financial year. The Full Council meets a minimum of 12 times each year and monitors progress against its objectives at each meeting by receiving relevant reports from the Parish Clerk. These include quarterly budgetary control reports, a detailed year-end accounts statement and approval of the Annual Governance and Financial Statement Returns. The Council carries out annual reviews of its internal controls, systems and procedures. Members, especially new councillors, are encouraged to attend appropriate training courses to develop an understanding of their financial and other responsibilities.

Parish Clerk and Responsible Finance Officer

The Council has appointed a Parish Clerk as the Council's advisor and administrator. The Clerk is also the Council's Responsible Financial Officer and is responsible for administering the Council's finances. The Clerk advises on the day to day compliance with laws, regulations and guidance affecting the Council. The Clerk also provides advice to help the Council ensure that its procedures, control systems and policies are followed appropriately. The Clerk is a member of SLCC. Responsibilities include keeping up to date with new developments, legislation and guidance and to advise the Council appropriately.

Payments

Payments are reported to the Council for approval prior to payment via the monthly agenda (except in emergencies). A monthly payment schedule is signed by the Chair and Vice-Chair, with the payments and authorisation details published in the minutes.

The Clerk, in conjunction with the Chair and Vice-Chair has delegated authority to approve payments under £100.00, but this is only exercised in emergencies. Two members of the Council must sign every cheque, direct debit mandate or bank standing order. The signatories should consider each cheque against the relevant invoice and initial the cheque counterfoil. All authorised cheque signatories are members of the Council. No officer of the Council can sign cheques.

Income

All income, including cash received, is banked in the Council's name in a timely manner and reported at the next meeting of the Parish Council. The Council does not retain any petty cash.

Insurance, Risk Assessment and Management, Standing Orders and Financial Regulations

The Council reviews its risk assessment, standing orders, financial regulations and insurance policy annually in May, or more frequently if necessary, and regularly reviews its systems and controls.

Banking

The Council maintains two bank accounts with Natwest Bank: a current account for all general parish council activities and a business reserve account for savings. Four Parish Councillors, including the Clerk are included on the bank mandate. Bank reconciliations are carried out on the receipt of each bank statement and the bank balances are reported to members monthly.

The Council reviews its banking arrangements once every 4 years, at the beginning of each new term. This does not exclude the Council from reviewing its banking arrangements at other times should the need arise.

Internal

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

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

The internal auditor shall:

- be competent and independent of the financial operations of the Council;
- report to Council in writing, or in person, on a regular basis with a minimum of one annual written report during each financial year;
- to demonstrate competence, objectivity and independence, be free from any actual or perceived conflicts of interest, including those arising from family relationships; and

- has no involvement in the financial decision making, management or control of the Council

Transparency Code

Although the Council's income is less than £25,000, it has embraced the guidance in the Transparency Code and publishes all of the documents required of small local councils. These can be viewed at www.woolseryparishcouncil.org.uk

External Audit

Due to income and spend being less than £25,000 in a financial year, the Council is exempt from a full external audit by PKF Littlejohn. A Certificate of Exemption is completed and returned to PKF Littlejohn by the stated deadline. The full Annual Governance Returns, Financial Statements and other statutory documents, including issuing notices meeting the Council's requirement for public inspection, in a timely manner are published on the Council's website – www.woolseryparishcouncil.org.uk

4. Review of Effectiveness

The Council conducts an annual review of the effectiveness of its internal control systems, including a review of the effectiveness of internal audit. The results of that review are considered by the Parish Council, which also approve the Statement of Internal Control annually.

Signed: Martin Hill (Chair)

PRINT NAME: MARTIN HILL

Lisa Hutchings (Parish Clerk and Responsible Finance Officer)

PRINT NAME: LISA HUTCHINGS

Approved and adopted by Woolfardisworthy Parish Council:

Meeting date: 16th June 2020