

## **INTERNAL CONTROL & REVIEW OF EFFECTIVENESS OF INTERNAL CONTROL**

### **1. Overview**

- 1.1 Regulation 4 of the Accounts and Audit Regulations, 2003 as amended, imposes a duty on local councils to ensure “that the financial management of the body is adequate and effective and that the body has a sound system of internal control”.
- 1.2 Local councils are required, at least once a year, to conduct, in accordance with proper practices, a review of the effectiveness of its system of internal control. The council is required to sign the annual governance statement (on the annual return submitted to the external auditor) to evidence that this review has been undertaken.
- 1.3 In order for the Parish Council to review the effectiveness of the internal control system there needs to be clarity on the internal controls in place.
- 1.4 Some internal controls are listed in the Financial Regulations document, but the system of controls goes beyond this. A Statement of Internal Controls has therefore been prepared and is attached to this document.

### **2. Recommendation**

- 2.1 The attached Statement of Internal Controls was reviewed by the Council at its meeting in June 2018 and it was considered that the controls in place give assurance that the Council has maintained in accordance with proper practices an adequate and effective system of internal audit of its accounting records and systems of internal control and recommends that this document reviewed by the Council at its Annual Council Meeting in May of each year.

First adopted by the Full Parish Council April 2015

This version adopted June 2018

For Review at Full Council Meeting June 2019