

Dishforth Parish Council

STATEMENT ON INTERNAL CONTROL FOR THE YEAR ENDING 31 MARCH 2023

Effective From 01/04/2023 – 31/03/2024

1. SCOPE OF RESPONSIBILITY

Dishforth Parish Council is responsible for ensuring that its business is conducted by following the law and proper standards and that public money is safeguarded, 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 has employed a permanent Parish Clerk and RFO. The Parish Clerk/RFO has been in place since 01/12/2023.

The full Council meets up to 12 times each year.

The Parish Council as a whole is fully responsible for the safeguards of public money and that all public money is fully accounted for.

Each month the Parish Clerk/RFO provides the Council with a copy of the Bank Statements and a copy of the Bank Reconciliation.

Chequebooks are kept by the RFO and payments require dual signatures.

The bank statements are sent to the Chairman of the Parish Council.

The Council discusses and considers the annual insurance policy which contains fidelity insurance.

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 listed on the agenda/public agenda for the Council's approval. Payments are approved and 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 cheque signatories are as follows:

Cllr Anne Sturzaker

Cllr Sue Reid

Only in exceptional circumstances can any invoices be paid (with two councillors signing the cheque) and then recorded at the next full Council meeting.

Income:

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

Any income received can be cheques and cash. If cash is received two members of the Council or Councillor/RFO double-check the amount before it is banked.

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.

The Internal Report is emailed to all Parish Councillors, placed as an agenda item to discuss at a Full Council Meeting, and recorded in the minutes.

The Internal Report is uploaded to the Parish Council's Website.

External Audit:

The Council's external auditors are PKF Littlejohn. Their report and documents are emailed to the Parish Council, placed as an agenda item to discuss at a Full Council Meeting, and recorded on the minutes.

The External Report is uploaded to the Parish Council's Website.

4. REVIEW OF EFFECTIVENESS

The Council has the 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 13th of February 2024

Chairman..... Cllr Sturzaker.....

Date.....13/02/2024.....

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