

Little Berkhamsted Parish Council

System of Internal Control

The following statement sets out the system of internal control maintained by Little Berkhamsted Parish Council.

1. The Council has adopted comprehensive Financial Regulations which set out detailed procedures and controls for the conduct of its financial affairs.
2. A detailed budget for the financial year starting on the following 1 April is adopted at a meeting of the Council prior to the setting of the precept for the year ahead.
3. At each Council meeting, reports of all transactions undertaken since the last meeting, and comparisons with budget, are presented and reviewed.
4. All receipts and payments are made by cheque or bank transfer and the Council does not hold any funds in cash.
5. All cheques and bank transfers are signed by two councillors on presentation of the supporting invoice(s) or other relevant documentation.
6. The Council's cheque-books are at all times (except for the period of the internal audit) kept and maintained by the Responsible Financial Officer.
7. Cheque counterfoils and invoices are initialled by those councillors signing the cheques.
8. Bank statements are reconciled with the cashbook monthly.
9. An internal auditor is appointed to provide an independent and objective opinion on risk management, controls and governance.
10. The appointment of the internal auditor, the effectiveness of the internal audit process and the terms of reference for the internal auditor are reviewed by the Council annually.
11. A register of assets and comprehensive risk management schedule are maintained and reviewed annually.
12. Compliance with PAYE regulations is assured by outsourcing payroll processing to an independent agent registered with HMRC.

This statement shall be reviewed by the Council annually in accordance with The Accounts and Audit Regulations 2015.

Revised and approved by the Council at its meeting on 19 May 2016.

Review date May 2017