

Redmire Parish Council

STATEMENT ON INTERNAL CONTROL FOR THE YEAR ENDING 31st MARCH 2017

1. SCOPE OF RESPONSIBILITY

Redmire Parish Council (the Council) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and 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 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 absolute assurance of effectiveness. The system of internal control is based on an on-going 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 appointed a Chairman who is responsible for the smooth running of meetings and for ensuring that all Council decisions are lawful. The Council reviews its obligations and objectives and approves budgets for the following year at its November/December meeting at which the Council also approves the level of precept for the following financial year. The Council monitors progress against objectives, financial systems and procedures, performs budgetary control and carries out regular reviews of financial matters and minutes these. The Council usually meets approximately ten times each year and monitors progress against its aims and objectives at each meeting by receiving relevant reports from Members and the Clerk to the Council. The Council carries out regular reviews of its internal controls, systems and procedures.

The Clerk to the Council/Responsible Financial 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 the day to day compliance with the law and regulations that the Council is subject to and for managing risks. The Clerk also ensures that the Council's procedures, control systems and policies are adhered to.

Payments:

All payments are reported to the Council for approval. Three Members of the Council must authorise every cheque and two Cllrs must sign both the cheque and the cheque stub.

Risk Assessments/Risk Management:

The Council carries out regular risk assessments in respect of actions and regularly reviews its systems and controls.

Internal Audit:

The Council has appointed an Independent Internal Auditor who will report to the Council on the adequacy of its records, procedures, systems, internal control, regulations, risk management and reviews albeit only on a negative basis, i.e. will only report where there is a problem. The effectiveness of the internal audit is reviewed annually.

External Audit:

The Council's External Auditors, PFK Littlejohn, submit an annual Certificate of Audit if they are satisfied with the Council's accounts.

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4. REVIEW OF EFFECTIVENESS

The Council has responsibility for conducting an annual review of the effectiveness of the system of internal control. The review of the effectiveness of the system of internal control is informed by the work of:

- The full Council.
- The Clerk to the Council/ Responsible Financial Officer who has responsibility for the development and maintenance of the internal control environment and managing risks.
- The Independent Internal Auditor who reviews the Council's system of internal control.
- PFK Littlejohn, the Council's external auditors, who make the final check using the annual return, a form completed and signed by the Responsible Financial Officer, the Chairman and the Internal Auditor.

5. SIGNIFICANT INTERNAL CONTROL ISSUES

No significant internal control issues were identified during the 2014/15 financial year. Whilst no significant internal control issues were identified during the year, the Council strives for the continuous improvement of the system it has adopted for internal control and has addressed all the minor issues and weaknesses raised and reported during the review process.

Signature of the Chairman
18th April 2016

Signature of the Clerk & Responsible Financial Officer
18th April 2016

Updated March 2016