

# **WORTWELL PARISH COUNCIL INTERNAL CONTROL POLICY & PROCEDURE**

Adopted: February 2018  
Reviewed: June 2023  
Next Review Due: June 2024

## **Internal Control**

Internal Control means the systems in place to maintain good financial governance. The Responsible Financial Officer (RFO) has legal responsibility to ensure that proper internal controls are set up and maintained. These controls ensure that all income due is received; all expenses are properly authorised; books are maintained including regular bank reconciliations; receipts and payments are in accordance with budgets.

The full requirements are set out within the Accounts and Audit Regulations 2014 and explained with Governance and Accountability for Local Councils, the Practitioners Guide March 2016.

Wortwell Parish Council has a number of systems in place to support and manage internal control.

- Internal control checks: a quarterly review of financial accounts by an appointed Councillor, which is documented and reported to full council.
- Independent Internal Auditor: appointed sector professional who carries out an annual audit and presents a written report to council, ahead of The Annual Governance and Accountability Return (AGAR)
- Monthly reporting of finances: Receipts and Payments, Actual against Budget and monthly current account balance, supplied as an extract from Accounting records.

### **1. Internal Control Officer**

The Internal Control Officer should carry out all internal checks on a quarterly basis. The named officer is appointed from the membership of council at the Annual General Meeting of the Parish Council.

## **Internal Control checks**

Checks cover all financial activities of the Council over the whole financial year, on a sample basis. Regular activities will be included at each quarterly check, with other activities being included once a year. Checks are reported to the next Council Meeting.

## **Control Check Calendar**

- Quarter one - end of the financial year (April May June) – Report to July meeting
- Quarter two - end of the financial year (July August September) – Report to October Meeting
- Quarter three - end of the financial year (October November December) - Report to January Meeting

- Quarter four - end of the financial year (January February March) - Report to March meeting.

### **Regular Activity Checks**

All checks will inspect at least two payments and two receipts during the quarter

**Payments:** Account total correct and accompanied by supporting order/invoice or documentation.

Bank Online Confirmation aligns with payment and invoice on bank statement

Payment has been authorised by Council

**Receipts:** is the amount correct.?

Has the amount been banked promptly?

Was the amount advised to council?

## **2. Independent Internal Auditor**

The Parish Council commissions the services of an Independent Internal Auditor and minutes this appointment and agrees the financial reimbursement for this service.

Their written report is presented and considered by Council as part of their complete review of Internal controls. This takes place in May once year end accounts have been closed and before the AGAR has been completed and presented to Council for signature. This internal audit forms part of the AGAR.

## **3. Monthly financial reporting**

The RFO presents a monthly report of all receipts, payments and variances against budget to full Council.

### **Associated Documents**

Financial Regulations

Standing Orders

Internal Control Form