Model Internal Control Statement and Report to Council. This document should be tailored to meet the needs of your Council particularly where [] are shown.

HASKETON PARISH COUNCIL

INTERNAL CONTROL STATEMENT FOR PERIOD 31st MARCH 2025 TO YEAR ENDING 31 MARCH 2026

1. SCOPE OF RESPONSIBILITY

Hasketon Parish 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.

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 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 reviews its obligations and objectives and approves budgets for the following year at its January meeting. The January meeting of the council approves the level of precept for the following financial year.

The Council monitors progress against objectives, financial systems and procedures, budgetary control and receives bi-monthly accounts summaries from the clerk/RFO. A Councillor* is appointed to have responsibility for bank reconciliation checks and initials the accounts summaries and reports to the Council they have checked the accounts summary at each bi-monthly Council meeting.

The full council meets six times each year and monitors progress against its aims and objectives at each meeting by receiving relevant reports from the parish clerk/RFO.

The council carries out reviews of its internal controls, systems and procedures. See attached Report, which is undertaken by the appointed Councillor*

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.

The Council uses a software programme to maintain its accounts which provides an auditable record of all transactions and supports the submission of auditing reports. It is solely created by the Clerk to the

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Council/Responsible Finance Officer and monitored by both mandated signatories and the Councillor appointed to have responsibility for bank reconciliation checks.

Payments:
All payments are reported to the council for approval. Two members of the council must sign every cheque or order for payment. The signatories should consider each payment against the relevant invoice, sign the invoice and initial the cheque counterfoil. All authorised cheque signatories are members of the Council. No other officer of the Council can sign cheques.
Online transactions can be instigated by the RFO but require secondary authorisation before payment. Records of such transactions will be produced and countersigned at the next scheduled Parish Council meeting.
Where delegation permits, as per s.101(1)(a) of the Local Government Act of 1972 and the Council's Financial Regulations, a report will be provided to the next full Council.

Income:
All income is received and banked in the council's name in a timely manner and reported to the council.

Risk Assessments/Risk Management:
The council reviews its risk assessment annually normally in May, and reviews its systems and controls annually undertaken by the appointed Councillor* and presented to the Council at full Council meeting.

Internal Audit:
The council appoints an independent and competent internal auditor who reports to the council on an annual basis on the adequacy of it's:

- Records
- Procedures
- Systems
- Internal control
- Regulations
- Risk management

External Audit:
The council's external auditors, submit an annual certificate of audit which is presented to the Council.

4. REVIEW OF EFFECTIVENESS

The council has responsibility for conducting an annual review of the effectiveness of the system of internal control, which should include a review of the effectiveness of internal audit. The results of that review must be considered by the Council, which should also approve the Statement of Internal Control.

Chairman

RFO/Clerk S LEAKIE.

Approved and adopted by Hasketon Parish Council)

Meeting date:12/03/26

SALC. Reviewed March 2026