



GREAT & LITTLE PRESTON PARISH COUNCIL

INTERNAL CONTROL PROCEDURE

Great and Little Preston 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.

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.

The Accounts & Audit (England) Regulations 2015 aims to strengthen governance and accountability through requirements related to internal control and internal audit. Whilst the Parish Council has reviewed/does review the effectiveness of the internal audit (independence, competence, proportionate and scope), it has a requirement levied on it to ensure that its financial management is adequate and effective and that it has a sound system of internal control.

As part of its internal control, Great and Little Parish Council will conduct a review of the system of internal control via the following actions.

WORK ELEMENT	INTERVAL	ACTION OF CLERK/RFO	COUNCIL (OR CHAIR'S) ACTION
CASH FLOW	Bi-monthly	To report income from grants, donations, etc. To report on invoices/ accounts to be paid at each meeting.	To consider and amend/note income. To consider invoices and authorise payments.
RECEIPTS & PAYMENTS ACCOUNT and BANK RECONCILIATION	Quarterly or before each	To present to Council a breakdown of receipts & payments, together with bank balance information.	To consider and receive/approve report at each meeting



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	meeting	To produce a schedule of expenditure against budget.	To consider and receive the report on a quarterly basis.
BANK STATEMENTS	Monthly Bi-monthly meetings	To check bank statements against receipts & payments. To present a bank reconciliation to each Council meeting.	Nominated person to check monthly reconciliation. Council members receive and note bank reconciliation(s) at each meeting.
PETTY CASH	None		
VAT RETURNS	Quarterly	To make a claim to recover VAT at the end of each quarter and report to council meetings.	To check claims have been made and note receipt of refunds.
PAYE INCOME TAX & NATIONAL INSURANCE CONTRIBUTIONS	Monthly Annual	To pay appropriate PAYE Income Tax and National Insurance Contributions on a monthly basis. To complete Employer Annual Return by date specified and present to council.	To check correct payments have been made. To check annual return has been completed and sent.
ASSET REGISTER	Annual	To maintain the Asset Register and relevant values and present to Council annually.	To consider and adopt the report.
INSURANCES	Annual	To present to Council, a report on insurance held and required.	To consider and adopt the report prior to acceptance/payment of insurance invoice.
END OF YEAR ACCOUNTS AND AUDIT DOCUMENTATION	Annual	To prepare receipts & payments accounts and balance sheet, together with external audit papers for presentation to Council as soon as possible after 31 March.	To consider and adopt the accounts, and approve the audit papers.
INTERNAL AUDIT	Annual	To have an audit of the Council's accounts and procedures by an outside, competent agency.	To appoint an approved internal auditor, and to receive and consider the internal auditor's



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		The internal audit precedes the formal external audit and feeds into it.	report.
CLERK	Annual	To have an annual work review [appraisal] and personal action plan, including training if necessary. To review salary on an annual basis and reflect salary scales and legislation in the annual review of the Statement of Particulars.	To be conducted by the nominated Councillors. To be conducted by the nominated Councillors and presented to the Council for approval.
COMPUTER FILES	Monthly	To ensure that files are regularly backed up onto a portable hard drive and cloud storage.	To be verified in appraisal / work review conducted by the nominated Councillors.
DOCUMENT SAFETY	As required	To ensure that all essential documents are securely held and signed minutes are archived on a regular basis.	To be verified in appraisal conducted by the appointed members and reported to the council
LEGISLATION	As required	To inform Council of legislation impinging on the Council and/or its policies and work programmes. Reviews prepared for the Annual PC meeting and amended or updated where necessary.	To consider and act upon the reports. Review policies etc. and consider any amendments necessary.

Adopted 25th May 2022

Signed by Chair: Cllr. Ann Dickinson