



## ATTLEBOROUGH TOWN COUNCIL

### Annual Review of the Effectiveness of Internal Control

#### Responsibilities:

The relevant body shall be responsible for ensuring that the financial management of the body is adequate and effective and that the body has a sound system of internal control which facilitates the effective exercise of that body's functions and which includes arrangements for the management of risk.

The relevant body shall conduct a review at least once in a year of the effectiveness of its system of internal control”

#### Internal Control:

The system of internal control is designed to reduce the financial risk of the Parish Council to an acceptable level.

- The budget position shall be reported to the General Purposes and Finance Committee/Full Council regularly.
- Bank reconciliations shall be performed monthly.
- S137 amounts shall be separately identified in the cash book.
- The limit allowed shall be calculated and never exceeded.
- Petty cash controls:
  - Payments & expenditure shall be entered into a petty cash book.
  - Receipts and vouchers shall be kept and VAT reclaimed.
  - Petty cash shall maintain a £800 float.
  - TIC petty cash shall have a float of £25 and be reconciled regularly.
- VAT shall be reclaimed when appropriate – usually quarterly and at least half-yearly.
- Outstanding and uncollectable amounts, including any bad debts shall not be submitted to the council for approval to be written off except with the approval of the RFO and General Purposes & Finance Committee.

#### Financial Management:

The Town Council has approved a set of Financial Regulations which set out the way that Council's finances are to be managed and a Financial Risk Assessment. These are reviewed and approved once a year.

The CEO & Town Clerk is the Responsible Financial Officer and is responsible for the day-to-day financial management of the Council.

The Council's budget shall be reviewed in detail every Autumn and a recommendation made to the full Council for the precept for the forthcoming year.

Two Councillors, out of the named signatories, must sign all cheques and other financial documents.

The CEO & Town Clerk and the committees may authorise payments up to £500 (up to £5,000 in approved circumstances) without prior reference to Full Council; all cheques must be ratified for payment by Full Council.

The cheque signatory shall check the supporting document at the time of signing, to ensure that the cheque agrees with the amount of the invoice and the payee named on the invoice.

The cheque stub should also be initialled to record that the name on the cheque stub is the same as that on the cheque.

At the year-end, the Council shall ensure that the cash book totals are reconciled to the year-end bank statement and shall sign the cash book as evidence of this check.

**Internal audit:**

The Council has appointed an independent and competent internal auditor and carries out a review of the effectiveness of the internal audit once a year. The auditor reports his/her findings to the Full Council and completes the relevant document.

**External audit:**

The Council's external auditors completes the relevant document; their comments and recommendations are reported to the Full Council.

**Review:**

This review shall be carried out once a year and recorded in the Council's minutes.

Signed..........

Dated.....13-5-2019.....  
Chairman

Signed..........

Dated.....13/05/2019.....  
Responsible Financial Officer

**Reviewed: 13 May 2019**