

Melton Constable Parish Council

Annual Review of the Effectiveness 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.

Financial Management:

The Parish Council has approved a set of financial regulations which set out the way that Council's finances are to be managed. These are reviewed and approved once a year.

Two councillors, out of three named signatories, must sign all cheques and other financial documents.

The cheque signatory shall check the supporting document at the time of signing, to ensure 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.

A councillor shall review the clerk's bank reconciliations bi-annually, including at the year-end, and shall sign the reconciliation as evidence of this check.

The clerk is the responsible financial officer (RFO) and is responsible for the day-to-day financial management of the Council. The duties of the RFO are reviewed and approved once a year. The RFO shall report all payments to the Council.

In November the Council shall review the budget in detail and shall decide on the precept for the forthcoming year.

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 findings to the full Council and completes page 4 of the Annual Governance & Accountability Review Part 2.

External Audit:

Providing the annual income or expenditure of the Council does not exceed £25,000, no external audit is necessary, unless requested by a Parishioner. In this case, the external auditors are PKF Littlejohn.

Review:

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

Signed: Stephen Unsworth
Chairman

Dated 14th July 2020

Signed: Kirsty Cotgrove
Responsible Financial Officer

Dated: 14th July 2020