

**Mickleton Parish Council**  
**Statement of Internal Control**  
**Review as to the effectiveness of the system of internal controls**

Policy version reference: 01

Most recent review without amendment: 28 May 2025

Date for next review: 27 May 2026

### **Scope and Responsibility**

Mickleton Parish Council is responsible for ensuring that business is conducted in accordance with the law and proper standards; and that public money is safeguarded and properly accounted for, used economically, efficiently and effectively.

In meeting this responsibility assurance is required that there is a sound system of internal control and that Mickleton Parish Council's accountability framework is 'risk' based; proportionate to that risk and to the amounts of public money involved and to the stakeholders' need for assurance.

### **Purpose of the System of Internal Control**

The system of internal control is designed to ensure that risks are managed to a reasonable and acceptable level forming part of an ongoing process designed to identify and prioritise the risks to the authority's policies, aims and objectives; and to evaluate and manage those risks accordingly.

### **Review of Effectiveness**

An annual review is to be undertaken by Mickleton Parish Council. In addition, it is the responsibility of the council to review the Risk Management Strategy on an annual basis.

Question	Y/N	Recommendation for Action (if required)
<b>Proper bookkeeping</b>		
Is the cashbook maintained and up to date?		
Is the cashbook arithmetically correct?		
Is the cashbook regularly balanced?		
<b>Standing orders/financial regulations adopted and applied</b>		
Has Mickleton Parish Council formally adopted standing orders and financial regulations?		
Has a responsible financial officer been appointed with specific duties?		
Are items or services competitively purchased?		
Has VAT on payments been identified, recorded and reclaimed?		
<b>Risk management arrangements</b>		
Are payments authorised by Mickleton Parish Council?		
Do minutes record Mickleton Parish Council carrying out an annual risk assessment?		

Is insurance cover appropriate and adequate?		
Are internal financial controls documented and regularly reviewed?		
<b>Budgetary controls</b>		
Has Mickleton Parish Council prepared an annual budget in support of its precept?		
Is actual expenditure against the budget regularly reported to Mickleton Parish Council?		
Are there any significant unexplained variances from budget?		
<b>Income controls</b>		
Is income properly recorded and promptly banked?		
Does the precept recorded agree to the Council Tax authority's notification?		
<b>Payroll controls</b>		
Do all employees have contracts of employment with clear terms and conditions?		
Do salaries paid agree with those approved by Mickleton Parish Council?		
Are other payments to employees reasonable and approved by Mickleton Parish Council?		
Have PAYE/NIC been properly operated by Mickleton Parish Council as an employer?		
<b>Asset controls</b>		

Does Mickleton Parish Council maintain a register of all material assets owned or in its care?		
Are the asset and investment registers up to date?		
Do asset insurance valuations agree with those in the asset register?		
<b>Bank reconciliation</b>		
Is there a bank reconciliation for each account?		
Is a bank reconciliation carried out regularly and in a timely fashion?		
Are there any unexplained balancing entries in any reconciliation?		
Is the value of investments held summarised on the reconciliation?		
Has the bank reconciliation statement for each account been checked and verified by a councillor, in accordance with financial regulations.		
<b>Year-end procedures</b>		
Are year-end accounts prepared on the correct accounting basis (receipts and payments)?		
Do accounts agree with the cashbook?		
Is there an audit trail from underlying financial records to the accounts?		
<b>Payment controls</b>		
Are payments in the cashbook supported by invoices, authorised and minuted?		

Is S137 expenditure separately recorded and within statutory limits?		
Has VAT on payments been identified, recorded and reclaimed?		
<b>Risk-management Arrangements</b>		
Does a review of minutes identify any unusual financial activity?		
Do minutes record regular reviews of Risk Register by council?		
Do minutes record annual risk assessments by council?		
Is insurance cover appropriate and adequate?		
Are Internal Financial Control Reviews documented and regularly reviewed?		

**Internal control review to be undertaken by two members of Mickleton Parish Council annually.**

**We confirm we have completed the above review:**

**Councillor:**

**Print Name:**

**Councillor:**

**Print Name:**

**Date:**

**Next internal control review due:**