HOLTON ST MARY PARISH COUNCIL

INTERNAL CONTROL STATEMENT FOR YEAR ENDING 31 MARCH 2026

1. SCOPE OF RESPONSIBILITY

Holton St Mary 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 November meeting. The January meeting of the council approves the level of precept for the following financial year.

The full council meets 6 times each year and monitors progress against its aims and objectives at each meeting by receiving relevant reports from the RFO/Clerk.

The Council carries out regular reviews of its internal controls, systems and procedures. See attached Report.

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.

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 officer of the Council can sign cheques. 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.

In the case of payments that are made using online banking facilities such payments must be appropriately authorised by two signatories before they are made. A record of all online payments will be kept showing the names of the authorising signatories

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 in May and regularly reviews its systems and controls.

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.

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Chairman   RFO/Clerk

Approved and adopted by Holton St Mary Parish Council

Meeting date: 06.05.26

HOLTON ST MARY PARISH COUNCIL

INTERNAL CONTROL REPORT

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 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: -

'The regulations require active participation by members in providing positive assurance to the electors of their stewardship of public money. The framework of accountability is risk-based i.e. level of control and management must be appropriate to the risk involved. The Council must determine the most appropriate method of internal control.... care should be taken to ensure that internal control tests are proportionate and relevant and that they are neither seen as, nor intended as, undue interference in the RFO's day to day management of financial affairs.'

As part of its internal control, Holton St Mary Parish Council has appointed the Clerk to conduct a review of the system of internal control via the following tests on an annual basis with a written report of any findings to be submitted to the Council and minuted as received.

CONTROL TEST	TEST DONE	COMMENTS – check documents and initial
	Yes or No	
Ensuring an up to date Register of Assets	Yes	Reviewed annually by the full Council
Regular maintenance arrangement for physical assets	Yes	Reviewed annually by the full Council
Annual review of risk and the adequacy of Insurance cover	Yes	Reviewed annually by the full Council
Annual review of financial risk	Yes	Reviewed annually by the full Council
Awareness of Standing Orders and Financial regulations	Yes	Reviewed annually by the full Council
Adoption of Financial and Standing Orders	Yes	Reviewed annually by the full Council
Regular reporting on performance by contractors		N/A
Annual review of contracts (where appropriate)		N/A
Regular bank reconciliation, independently	Yes	At each meeting by the full Council

reviewed		
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Yes	At each meeting by the full Council
Recording in the minutes or appendices of the minutes the precise powers under which expenditure is being approved	Yes	At each meeting by the full Council
Payments supported by invoices, authorised and minuted	Yes	At each meeting by the full Council
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	Yes	At each meeting by the full Council
Scrutiny to ensure precept recorded in the cashbook agrees to District Council notification	Yes	Reviewed at full Council meeting twice yearly when precept is received
Contracts of employment for staff Contract annually reviewed Updating records to record changes in relevant legislation PAYE/NIC properly operated by the Council as an employer	Yes	Reviewed annually by the full Council Reviewed annually by the full Council Reviewed annually by the full Council Reviewed at each meeting by the fullCoun-cil
VAT correctly accounted for VAT payments identified, recorded and reclaimed in the cash-book	Yes	Reviewed at each meeting by the fullCoun-cil
Regular financial reporting to Parish Council	Yes	At each meeting by the Clerk/RFO
Regular budget monitoring statements as re-ported to Parish Council	Yes	Reviewed at each meeting by the fullCoun-cil
Compliance with DCLG Guide *Open & Account-able Local Government* 2014, Part 4: Officer Decision Reports		
Compliance with Local Transparency Code Of 2014:	Yes	At each meeting by the full Council

Items of expenditure incurred over £500		
Verifying that the Council is compliant with the General Data Protection Regulation requirements Are the following in place: • Audit / Impact Assessment • Privacy Notices • Procedures for dealing with Subject Access Requests • Procedure for dealing with Data breaches • Data Retention & Disposal Policies	Yes	Reviewed annually by the full Council
Minutes properly numbered and paginated with a master copy kept in for safe-keeping	Yes	At each meeting of the full Council / Clerk has a master copy
Procedures in place for recording and monitoring Members' Interests and Gifts of Hospitality	Yes	At each meeting of the full Council
Adoption of Codes of Conduct for Members	Yes	Reviewed 2022 – due for review 2026 every 4 years
Declaration of Acceptance of Office	Yes	Reviewed annually at full Council meeting

Date of review of system of Internal Controls 06.05.26

Review of system of Internal Controls carried out by:

Name Faye Hall Signature..

Report submitted to Council: date 06.05.26

Minute reference:

Next review of system of Internal Controls due: May 2027

Additional comments by reviewer: