

Wappenham Parish Council
Effectiveness of system of internal control and internal audit

1. SCOPE OF RESPONSIBILITY	
Wappenham Parish Council is responsible for ensuring that its business is conducted in accordance with the law and proper standard, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. In discharging this overall responsibility, the Council is also 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 and for reviewing the effectiveness of internal audit.	
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 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.	
3. THE INTERNAL CONTROL ENVIRONMENT	
The Council :	Achieved
The Council has appointed a Chairman who is responsible for the smooth running of meetings and for ensuring that all Council decisions are lawful.	Yes 2138
The Council reviews its obligations and objectives and approves the budget and precept for the following year at the January meeting.	Yes 2232f and g
The Council carries out regular reviews of its internal controls systems and procedures.	Yes 21/02/17
An Internal Control Councillor makes random checks on the accounts, following an invoice from payment, through the finance and administration system to bank statement entries.	Yes at every meeting eg 2182
The Council meets regularly to review actual versus budgeted expenditure, insurance details (annually)	Yes, 2232d and 2202d
Tenders are sought under the Finance Regulations rules to ensure that the Parish Council offers value for money.	Yes, example of the defibrillator project
The Clerk/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 the day to day compliance with laws and regulations that the Council is subject to and for managing risks. The Clerk also ensures that the Council's procedures, control systems and policies are adhered to.	Yes 2142
The Clerk should hold a CiLCA certificate	Completed 2011

Year-end accounts will be prepared by the RFO for circulation to the Parish Council by the end of May following the financial year-end on 31 st March	Yes 2148g
Payments	
All bills for payment are presented to the Council for approval. Two authorised signatories must sign each cheque and stub.	Yes – internal audit of cheque stubs
Risk Assessment Policy	
The Parish Council has a comprehensive risk assessment policy which is reviewed annually.	Yes 21/02/17
Internal Audit	
The Parish Council has adopted Terms of Reference for the Internal Audit which is reviewed every three years.	Yes 941d and 22/02/2011, 26/02/14, 21/02/2017
The Internal Audit is timed to comply with the Annual Return timescales	Yes
Full Rights of Access are given to the Internal Auditor regarding records and documentation	Yes
Independence – the Internal Auditor makes an independent report to the Parish Council.	Yes 2028
The Report is reviewed by the next Parish Council meeting and any necessary actions resolved.	Yes 2165e
The Internal Auditor will follow up any actions required by review in subsequent audits.	Yes – published in subsequent report

Approved at the meeting of Wappenham Parish Council on 21/02/2017

Signed

(Chairman)