

BRIDGHAM PARISH COUNCIL

Internal Control Policy

Scope of Responsibility

The Accounts and Audit Regulations 2015 state that a Council shall be responsible for ensuring that its financial management is adequate and effective and that it has 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.

Bridgham 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.

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.

The Purpose of the System of Internal Control

Internal control is designed to reduce financial risk to the Council. The system of internal control is designed to ensure that the council's activities are carried out properly and as intended. Internal controls are set up by the Responsible Finance Officer (RFO) but it falls on the Council members to ensure that they have a degree of control and understanding of those controls. Controls will include the checking of routine financial procedures; the examination of financial comparisons; the recording of assets and liabilities; the identification of risk and to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

Approved 12 June 2023

Reviewed 20 May 2025

Internal Control Annual Checklist

Date

Approved
(Initialled)

Date

Proper book-keeping	Is the cashbook (electronic) maintained and up to date		
	Is the cashbook arithmetic correct		
	Is the cashbook balanced regularly		
a) standing orders, financial regulations, and b) payment controls	Has the council formally adopted standing orders and financial regulations		
	Are goods and services competitively purchased		
	Are payments in the cashbook supported by invoices, authorised and minuted		
	Has VAT been recorded		
	Has Section 137 expenditure been separately recorded		
Risk management	Review minutes and cashbook for unusual activity		
	Is the annual risk assessment recorded in the minutes		
	Is insurance cover adequate and appropriate		
	Are financial controls documented and reviewed regularly		
Budgetary controls	Has the council prepared an annual budget to support the precept		
	Is actual expenditure against the budget reported half yearly to the council		
	Are there any significant unexplained variances to the budget		
Income controls	Does the precept recorded agree to X District Council's notification		
	Are invoices from the council sent out when due, and payments chased as appropriate		
Asset controls	Is the asset register up to date		
	Do asset valuations agree with insurance provisions as appropriate		
	Are all bank accounts reconciled regularly		
	Are there any unexplained balancing entries		
	Is the value of investments summarised on the reconciliation		
Year-end procedures	Are year-end accounts prepared on the correct accounting basis		
	Do accounts agree with the cashbook, bank statements		
	Is there an audit trail from financial records		
	Where appropriate, have debtors and creditors been properly recorded		
	Is the Annual Governance & Accountability return correct, balanced to the cashbook and to the income and expenditure summary		
	Has the internal auditor for year-end accounts been approved by council and minuted		

Signed

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Date

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