

Barrington Parish Council

Review of Internal Controls for the Financial Year 2020/2021

Internal financial controls are essential checks and procedures that help parish councils:

- meet their legal duties to safeguard the council's assets
- administer the council's finances and assets in a way that identifies and manages risk
- ensure the quality of financial reporting, by keeping adequate accounting records and preparing timely and relevant financial information

If a parish council is to achieve its aims then members need to ensure that assets are properly used, that its funds are spent effectively and its financial affairs are well managed. This policy looks at various areas of financial activity and provides examples of internal financial controls that are commonly used to reduce the risk of loss. Internal financial controls reduce, but do not eliminate the risk of theft and fraud.

Regular Checks

The Responsible Financial Officer (RFO) will keep proper accounts of the finances of the council. At each quarterly meeting, members will receive a bank reconciliation statement and bank statements will be initialled by two members to verify that the balances are a true record of funds held. Details of any payments to be made will be received and approved. All cheques will be signed by two councillors.

When a supplier has provided bank account details, then payments will be made by means of a bank transfer by the RFO following approval.

Annual Checks

The financial accounts of the council shall be audited once a year by the auditor, John Yeatman, and these and the draft Annual Return shall be presented to and approved at the Annual General Meeting in May each year.

The Parish Council is invited to consider whether the internal measures that are in place are commensurate with the sums of money involved.

May 2020