



## Hertingfordbury Parish Council

### System of Internal Control

The following statement sets out the system of internal control maintained by Hertingfordbury Parish Council.

1. The Council has adopted comprehensive Financial Regulations which set out detailed procedures and controls for the conduct of its financial affairs.
2. A detailed budget for the financial year starting on the following 1 April is adopted at each January/February meeting of the Council prior to the setting of the precept for the year ahead.
3. At each Council meeting, reports of all transactions undertaken since the last meeting are presented and reviewed.
4. All receipts and payments are made by bank transfer (preferably), cheque or direct debit. The Council does not hold any funds in cash.
5. All bank transactions are considered and approved at full council meetings. Clerk/RFO uploads onto online banking. Two members authorise payment upon email request to do so. Cheques are presented and signed by two members upon approval at full council meetings.
6. The Council's chequebooks are at all times (except for the period of the internal audit) kept and maintained by the Responsible Financial Officer.
7. Cheque counterfoils and invoices are initialled by those two councillors signing the cheques.
8. Bank statements are reconciled with the cashbook monthly, and presented to Chairman at the meeting who checks and signs reconciliation to show check complete.
9. An internal auditor is appointed to provide an independent and objective opinion on risk management, controls and governance annually.
10. The effectiveness of the internal audit process for the internal auditor are reviewed by the Council annually. The internal auditor is appointed for the next financial year at the annual meeting of the council.
11. A register of assets and comprehensive risk management schedule are maintained and reviewed annually before the next financial year.

12. Compliance with PAYE regulations is assured by outsourcing payroll processing to an independent agent registered with HMRC.

This statement shall be reviewed by the Council annually in accordance with The Accounts and Audit (Amendment) (England) Regulations 2022. Approved by the Council at its meeting on 8<sup>th</sup> March 2023. [\(Reviewed March 2024\)](#)