

Maugersbury Parish Council

Statement of Internal Control

Year Ending 31st March 2025

1. Scope of responsibility

Maugersbury Parish Council (the 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.

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 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.

The system of internal control has been in place at the Council for the year ending 31st March and up to the date of approval of the annual report and accounts and except for the details of any significant internal control issues at section 4 accords with proper practice.

3. The internal control environment

The Council:

The Council has appointed a Chairman who is

responsible for the smooth running of meetings and for ensuring that all Council decisions are lawful.

The Council reviews its obligations and objectives and approves budgets for the following year at its December meeting. The December meeting of the Council approves the level of the precept for the following year.

The Council meets at least 4 times each year and monitors progress against its aims and objectives at each meeting by receiving relevant reports from the Parish Clerk/RFO.

The Council carries out an annual review of its internal control systems and procedures.

Clerk to the Council / Responsible Financial Officer:

The Council has appointed a Clerk to the Council, Liz Sajewicz, 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, making sure that the insurance obtained to cover the risks is at the best price and is sufficient for their needs as reviewed. The Clerk also ensures that the Council's procedures, control systems and policies are adhered to.

Internal Auditor of the Parish Council

The Council has appointed a Parish Councillor to the role of Internal Auditor, Cllr Ron Warmington. Their role is to check the accounting paperwork prepared by the Clerk and to check the bank reconciliation to ensure everything is being prepared accurately with satisfactory supporting paperwork. This is carried out in addition to the checks carried out when payments are presented for approval.

Payments:

All payments are reported to the Council for approval. Two members of the Council must authorise every invoice and sign each cheque and cheque stub.

Risk Assessment

The Council carries out a regular risk assessment in respect of actions and reviews its systems and controls.

Internal Audit

The Council has appointed an independent Internal Auditor, Iain Selkirk, to report to the Council on the adequacy of its:

- Records
- Procedures
- Systems
- Internal Control Regulations
- Risk Management
- Reviews

The effectiveness of the internal audit is reviewed annually.

External Audit

The Council's External Auditors, PKF Littlejohn have been appointed by the Audit Commission. They receive the Council's Annual Governance and Accountability Return, compiled by the Clerk. The Council is currently exempt from the requirement to have an external audit, but could be randomly selected to have one

Review of Effectiveness

The Council has the responsibility for conducting an annual review of the effectiveness of the system of internal control. This review is informed by the work of:

- the full Council;
- the Clerk to the Council / Responsible Financial Officer (Liz Sajewicz) who has the responsibility of development and maintenance of the internal control environment and managing risks;
- the independent Internal Auditor (Iain Selkirk) who reviews the Council's system of internal control;
- the Audit Commission via the Council's External Auditors (PKF Littlejohn) who make the final

check using the Annual Governance and Accountability Return, a form completed and signed by the Responsible Financial Officer, the Chairman and the Internal Auditor;

- any significant issues that are raised during the year.

4. Significant internal control issues

None.

*Approved by Maugersbury Parish Council on
1 September 2025*