

POLSTEAD PARISH COUNCIL

REVIEW OF INTERNAL CONTROL AND INTERNAL AUDIT PROCESSES

Under The Accounts and Audit Regulations 2015 (SI 2015/234) the Council must carry out a review of its Internal Controls and Internal Audit processes on at least an annual basis. The regulations require the Council to carry out a review of the effectiveness of the Internal Controls and Internal Audit processes and to consider the findings of this review.

Internal Control

The Parish Council accounts are produced on an excel spreadsheet. This file along with all other data files held on behalf of the Council are stored on Microsoft's One Drive Cloud.

All entries within the Receipts and Payments are supported by documentation that is referenced back to the excel spreadsheet. Each item of expenditure highlights the power used by Council and the minute where the expenditure was authorised. On the foot of each page of the minutes the fact that Polstead Parish Council adopted the General Power of Competence on the 16th May 2019" is noted. A list of receipts and payments to be authorised at each meeting are contained in the RFO Report.

The council holds money at Barclays Bank and these balances are reconciled in the RFO Report for each scheduled meeting of the council. A councillor also checks the bank account statements against the reconciliation report at each meeting. Councillors Wade, Flather and Oxford are the existing signatories for the Barclays Bank accounts.

The councillors are also given a Statement of Affairs vs Budget in the RFO Report for their review at each scheduled meeting. The annual budget process and figures used are attached to the minutes of the meeting held on the 19th January 2023.

VAT recoverable is normally claimed after the last meeting of the financial year in March.

No Petty Cash is held by the Council and all cash / cheques received are deposited as soon as practicable after receipt.

Internal Auditors

Heelis and Lodge were appointed as this Council's Internal Auditor at the Parish Council meeting held on 16th June 2022 minute 22/112. The two partners of Heelis and Lodge have both worked for local Councils in the past and are completely independent from this Council.

The Internal Auditors produced a professional and helpful report when the accounts were returned to the Responsible Financial Officer which you reviewed and accepted at the meeting held on the 16th June 2022 minute 22/112.

Whilst Heelis & Lodge comply with the regulations covering the Internal Auditors, it would also appear that they meet the level of coverage required of a council of this size at a level of fee that would also appear appropriate.