Sustead with Bessingham and Metton Parish Council

Annual Review of the Effectiveness of Internal Control

The Accounts and Audit Regulations 2003:
''(1) The relevant body shall be responsible for ensuring that the financial management of the body is adequate and effective and that the body has a sound system of internal control which facilitates the effective exercise of that body's functions and which includes arrangements for the management of risk.

(2) The relevant body shall conduct a review at least once in a year of the effectiveness of its system of internal control''

Internal Control:

The system of internal control is designed to reduce the financial risk of the Parish Council to an acceptable level.

Financial Management:

The Parish Council has approved a set of financial standing orders which set out the way that Council's finances are to be managed. These are reviewed and approved once a year.

Two councillors, out of three named signatories, must sign all cheques and other financial documents. Online payments will be raised by the Clerk and authorised online by one Councillor.

The cheque signatory shall check the supporting document at the time of signing, to ensure the cheque agrees with the amount of the invoice and the payee named on the invoice. The cheque stub should also be initialled to record that the name on the cheque stub is the same as that on the cheque.

Bank statements are available to view at every meeting, and a bank reconciliation provided prior to the meeting. Councillors are invited to review and reconcile the accounts at each meeting.

The clerk is the responsible financial officer (RFO) and is responsible for the day-to-day financial management of the Council. The duties of the RFO are reviewed and approved once a year. The RFO shall report all payments to the Council.

In November the Council shall review the budget in detail and shall decide on the precept for the forthcoming year.

Internal Audit:

The Council has appointed an independent and competent internal auditor and carries out a review of the effectiveness of the internal audit once a year. The auditor reports their findings to the full Council and completes Section 4 of the Annual Return.

External Audit:

In 2025/26 the Council had an annual turnover of above £25,000 and will be subject to an external audit. In this case, the external auditor will be PKF Littlejohn. Usually the annual turnover is under £25,000 and exempt from external audit.

Review:

This review shall be carried out once a year and recorded in the Council's minutes.

Signed: _ _ _ _ _ _ _ _ _ _ _
Chair
Dated: 11th May 2026

Signed: Helen Pell
Responsible Financial Officer
Dated: 11th May 2026