

HOLBROOK PARISH COUNCIL
INTERNAL CONTROL STATEMENT FOR YEAR ENDING 31 MARCH 2026

1. SCOPE OF RESPONSIBILITY Holbrook Parish 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. The Council is 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 based on 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.

3. THE INTERNAL CONTROL ENVIRONMENT

The Council: 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 precept for the following financial year. The Council appoints a budget working party each year. A Councillor is appointed to have responsibility for bank reconciliation checks. The full Council meets 12 times each year and monitors progress against its aims and objectives at each meeting by receiving relevant reports from the RFO. The Council carries out regular reviews of its internal controls, systems and procedures.

Clerk to the Council/Responsible Finance Officer: The Council has appointed a Clerk to the Council 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 advising on the day-to-day compliance with laws and regulations that the Council is subject to and for managing risks. The Clerk also provides advice to help the Council ensure that its procedures, control systems and policies are adhered to. The Clerk is CILCA qualified.

Payments: All payments are reported to the council for approval. Two members of the Council must sign every cheque or order for payment. The signatories should consider each payment against the relevant invoice, sign the invoice and initial the cheque counterfoil. If the payment is to be made by BACs, then the signatories must both sign the BACs order, prior to a transaction being made. All authorised cheque signatories are members of the Council. No officer of the Council can sign cheques. Where delegation permits, as per s.101(1)(a) of the Local Government Act of 1972 and the Council's Financial Regulations, a report will be provided to the next full Council.

Income: All income is received and banked in the Council's name in a timely manner and reported to the Council.

Risk Assessments/Risk Management: The Council reviews its risk assessment annually in January, and regularly reviews its systems and controls.

Internal Audit: The Council appoints an independent and competent internal auditor who reports to the Council on an annual basis on the adequacy of it's:

- Records
- Procedures
- Systems
- Internal control
- Regulations
- Risk management

External Audit: The Council's external auditors, submit an annual certificate of audit which is presented to the Council.

4. REVIEW OF EFFECTIVENESS: The Council has responsibility for conducting an annual review of the effectiveness of the system of internal controls which should include a review of the effectiveness of internal audit. The results of that review must be considered by the Council, which should also approve the Statement of Internal Control.

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Chair

20/04/2026

Date

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RFO

20/04/2026

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Approved at the Council meeting held on 20th April 2026