

**EAST GOSCOTE PARISH COUNCIL
STATEMENT ON INTERNAL CONTROL
FOR THE YEAR ENDING 31st MARCH 2025**

1. SCOPE OF RESPONSIBILITY

The East Goscote 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 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.

The system of internal control has been in place at the Council for the year ended 31 March 2025 and up to the date of approval of the annual report and accounts and, except for the details of significant internal control issues at section 5, accords with proper practice.

3. THE INTERNAL CONTROL ENVIRONMENT

The Council:

The Council has appointed a Chair who is responsible for the smooth running of meetings and for ensuring in conjunction with the Proper officer that all Council decisions are lawful.

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

The Council monitors progress against objectives, financial systems and procedures, budgetary control and carry out regular reviews of financial matters.

The Council reviews its internal controls, systems and procedures on a regular basis including review of the Financial Regulations. The Council updated their financial regulations in September 2019, Sept 2024, and again in May 2025.

Clerk to the Council / Responsible Financial 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 the day-to-day compliance with laws and regulations that the Council is subject to and for managing risks. The Clerk also ensures that the Council's procedures, control systems and polices are adhered to.

Payments:

All payments are reported to the Council for approval. Two Members of the Council and the Clerk must authorise every cheque. Online payments are made in accordance with Financial regulation 7. A number of payees were approved by full council In May 2015 /October 2015 and were reviewed and updated in May 2025. The payments are made in accordance with minute 15/028 and undergo controls to safeguard public money. The Chair signs all payment schedules. In 2024-2025 most payments were made by bank transfer (online) and this method is continuing.

Debit Card payments are made in accordance with Financial Regulation 8.1

Risk Assessments / Risk Management:

The Council carries out regular risk assessments in respect of actions and regularly reviews its systems and controls. The Risk Register will be reviewed for approval in June 2025.

Internal Audit:

The Council has appointed a qualified local Government Accountant as their independent internal auditor who reports 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 in June.

External Audit:

The Council's External Auditors, Moore East Midlands, 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 control. The review of the effectiveness of the system of internal control is informed by the by the work of:

- the full Council;
- Monthly expenditure checks by the Chair/Vice chair
- the Clerk to the Council / Responsible Financial Officer who has responsibility for the development and maintenance of the internal control environment and managing risks;
- the independent Internal Auditor who reviews the Council's system of internal control annually along with quarterly checks;
- Moore East Midlands, the Council's external auditors, who make the final check using the Annual Return, a form completed and signed by the Responsible Financial Officer, the Chair and the Internal Auditor.
- budgetary control throughout the year;

5. SIGNIFICANT INTERNAL CONTROL ISSUES

No significant internal control issues were identified during the 2024-2025 financial year. However, issues that were raised are:

- The period of public rights was advertised too early in 2023/2024.
- S137 payments must be noted separately on the accounts section of the minutes.
- The external audit report must be agreed and fully discussed and not listed under correspondence as happened in 2024.

Whilst no significant internal control issues were identified during the year, the Council strives for the continuous improvement of the system it has adopted for internal control and has addressed all the minor issues and weaknesses raised and reported during the review process.

_____ 16th June 2025

(Signatures of the Council's Chair and Responsible Financial Officer / Clerk and date)