

Badgers Mount Parish Council: Statement of Internal Control

For the year ending 31st March 2027

1. Scope of Responsibility

Badgers Mount 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, properly accounted for, and used economically, efficiently and effectively.

The Council is also responsible for ensuring that a sound system of internal control supports the preparation of the Annual Governance and Accountability Return (AGAR) and the nine assertions within the Annual Governance Statement.

2. Purpose of the Statement of Internal Control

The statement of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure. It provides reasonable, but not absolute, assurance of effectiveness.

The system is based on an ongoing process to:

- identify and prioritise risks to the achievement of the Council's objectives;
- evaluate the likelihood and potential impact of those risks;
- manage them efficiently, effectively and economically.

The system of internal control operated throughout the financial year 202–26 and accords with proper practice.

3. The Internal Control Environment

The Council

The Council:

- appoints a Chairman to ensure meetings are conducted lawfully and effectively;
- reviews its objectives and approves the annual budget and precept each January;
- meets regularly and monitors financial performance through reports from the Clerk/RFO;
- reviews Standing Orders, Financial Regulations, policies and risk assessments annually;
- ensures that decisions and financial approvals are properly recorded in the minutes.

Clerk / Responsible Financial Officer (RFO)

The Clerk/RFO:

- administers the Council's finances and maintains accurate financial records;
- ensures compliance with legislation, policies and procedures;
- manages risks and maintains the internal control environment;
- provides professional advice to support lawful and effective decision-making.

Payments

- All payments are authorised by the Council.
- Two councillors authorise each payment, whether by cheque or electronic means.
- A schedule of payments is presented to each meeting for approval and minuting.
- The Council does not operate petty cash.

Income

- All income is promptly recorded, banked and reported to the Council.

Risk Management

- The Council maintains a Risk Register proportionate to the size and activities of the parish.
- Risks relating to governance, finance, assets, data protection and insurance are reviewed annually and updated as required.

Internal Audit

- The Council appoints an Independent Internal Auditor who reviews the adequacy and effectiveness of:
 - financial records and procedures
 - internal controls
 - risk management
 - compliance with regulations
- Internal Audit reports are considered by the Council, and any recommendations are acted upon.

External Audit

- The External Auditor, Forvis Mazars, reviews the AGAR and issues an annual report and certificate.

4. Review of Effectiveness

The Council conducts an annual review of the effectiveness of its system of internal control. This review is informed by:

- the work of the full Council;
- the Clerk/RFO's management of the internal control environment;
- the reports and findings of the Independent Internal Auditor;
- the External Auditor's annual report;
- any issues raised during the year.

5. Significant Internal Control Issues

No significant internal control issues were identified during the 2025–26 financial year.

The Council remains committed to continuous improvement and has addressed any minor recommendations arising from routine reviews.

Approval of Statement

This Statement on the System of Internal Control was approved by Badgers Mount Parish Council at its meeting on **June 4th 2026**.

Signed: Chairman, Badgers Mount Parish Council

Signed: Clerk / Responsible Financial Officer