

STATEMENT OF INTERNAL CONTROLS

Cash Book/Bank Reconciliations

- The cash book is kept electronically (in accounts software – RBS), maintained up to date from original documents (cash received, invoices, payments and direct debits made and cheques as they are prepared).
- The cash book is reconciled to the bank statement at least monthly.
- Reconciled accounts are presented at each Parish Council meeting for approval.
- The cash books, payments and receipts and bank reconciliation is reviewed and approved by members of the Parish Council, with reference to the underlying records (bank statements and minutes plus copies of accounts papers etc.) at least annually.
- The bank reconciliation is reported to the full Parish Council and minuted as such.
- The latest financial position and movements on the Parish Council's cash balances are reported at each council meeting and can be traced back to the expenditure approved in the previous meeting via the expenditure lists.

Financial Regulations

- The Parish Council has adopted financial regulations, based on the model version prepared by NALC/SLCC. The regulations are reviewed biennially for continued relevance and amended where necessary by the Responsible Financial Officer with any proposed amendments subject to approval by the Parish Council.
- The Financial Regulations list the number of estimates, quotes or full tenders that must be invited depending on the value and nature of the work.
- Official orders/letters are sent to suppliers for services which are not regular in nature.

Payment Controls

- Purchase orders/emails/letters ordering the work are matched to purchase invoices where applicable.
- Payments will be listed in voucher number order in the cash books and in accounts files.
- Every payment has a unique sequential transaction number which is matched to the payment invoice and the corresponding transaction on the bank statement.
- All invoices for payment are listed and presented at the Finance Meeting. The expenditure is authorised for payment.
- Payments made are listed, on a separate sheet & reported in the minutes of the meeting.
- Original invoices are available to the Councillors signing the cheques or authorising BACS payments.
- Cheques will be signed by two Councillors, who are authorised to sign on the council's bank mandate.
- The council has an online banking system in place, for the purpose of viewing statements and transferring funds between accounts.
- The RFO is authorised to transfer funds from one account to another, but not to make third party payments outside of the bank accounts in any form.
- The RFO is authorised to set up direct debit payments.
- The Finance Officer under the guidance of the RFO maintains control of the cheque book at all times.

- Every payment is identified by a sequential unique number. This number is used to identify the transaction in the payments cashbook, the invoice and cross referenced on the bank statement.
- When invoices are paid by cheque, they are identified by the cheque number and referenced in the cashbook by the cheques number, as well by the unique identifier. This is cross checked with the bank statements.

VAT Repayment Claims

- The RFO ensures that all invoices are addressed to the Parish Council.
- The RFO ensures that proper VAT invoices are received where VAT is payable.
- The RFO maintains a VAT account to show that the correct amount of VAT is reclaimed in the year.

Income Controls

- The RFO ensures that amount of the precept received is correct in accordance with the precept request sent to the District Council.
- The RFO ensures that the precept installments are received when due.
- The RFO ensures that other receipts (deposit interest, allotment and land rents) are received when due and correctly calculated.
- Receipts are issued for all cash received. Receipt numbers are recorded against payments.
- Income is banked promptly.

Financial Reporting

- A Budget control, comparing actual receipts and payments to the budget and the previous year is prepared on a quarterly basis, and presented to the Property Policy & Resources Committee of the Council in advance of the meeting and minuted accordingly.
- The budget is prepared in consultation with the Parish Council, as evidenced by reports and minutes in advance of the start of the year.
- The precept is set on the basis of the budget by the deadline set by Broadland District Council.

Payroll Controls

- The Clerk is paid under PAYE as an employee and the necessary system for HMRC RTI is in place.
- Other employess are paid under PAYE and the necessary system for HMRC RTI is in place.
- Salaries are set as per Contracts of Employment.
- Salary is paid by cheque.
- The Clerk will ensure that all the necessary payroll returns are made to HMRC and will retain evidence that this has been done.

Officers and Members Expenses

- Requests for reimbursement of monies owing by way of an expense incurred is made immediately the purchase is paid and is authorised by the RFO or an appropriate official independent of the claim.
- Expenses are paid by cash or cheque and the expense is treated as an invoice for accounting purposes.

Asset Control

- The RFO maintains a full asset register.
- The existence and condition of assets is checked on a regular basis by Officers of the Parish Council or as a need is identified.
- The adequacy of insurance of the Parish Council's assets is considered annually in advance of the insurance renewal.

