| Cash Book/Bank Reconciliations | • The cash book is kept electronically (in spreadsheet format), maintained up to date from original documents (cash received, invoices, payments (s/o) made and cheques as they are prepared).  
• The cash book is reconciled to the bank statement monthly.  
• Reconciled accounts are prepared in advance of each Council meeting.  
• The cash books, payments and receipts, and bank reconciliation is reviewed and approved by a member of the Parish Council nominated as internal control, regarding the underlying records (bank statements and minutes plus copies of accounts papers etc) at least biannually.  
• The bank reconciliation is reported to the Parish Council and minuted.  
• 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 minutes. |
| Financial Regulations | • The Parish Council has adopted the financial regulation, based on the model version prepared by NALC. The regulations are reviewed for continued relevance and amended where necessary by the RFO with any proposed amendments subject to approval by the Parish Council. |
| Order/Tender Controls | • 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 | • Depending on the nature of the supply, the RFP signs the purchase invoice to indicate that the supply has been received, that the supply has not previously been paid and that the invoice calculations are correct.  
• Purchase orders/emails/letters ordering the work are matched to purchase invoices where applicable.  
• Payments will be listed in cheque number order in the cash book.  
• Payments made are listed in the minutes of the meeting. Original invoices are available to the Councillors signing the cheques.  
• Cheques will be signed by two councillors, who are authorised to sign as shown on the council’s bank mandate.  
• The RFO is authorised to transfer funds internally i.e. from one of the council’s accounts to another, but not to make payments.  
• The RFO always maintains control of the cheque book. Cheques will only be issued and signed for payments approved in Council meetings. The RFO will prepare cheques but is not authorised to sign them.  
• Every payment is identified by the cheque number. This number is used to identify the transaction in the payment’s cashbook, the invoice and cross referenced on the bank statement. |
| Legal Powers | • A proper legal power is identified in advance of any expenditure. The legal power for expenditure is shown on the minutes for payments made. |
| Payments made under Section 137 of the Local Government Act 1972 | • A separate s137 account is maintained in the cash book.  
• Each year the RFO calculates the maximum allowable amount of s137 expenditure and ensures that it is not exceeded – confirmed to the Parish Council when expenditure is considered either by reference to a specific budget for that payment or to the amount of unspent s137 money available. |
| Requests for expenditure from s137 are made clear on the meeting agendas where the payment is to be approved.  
| Each record of expenditure from s137 is properly minuted. |
| VAT Repayment Claims | The RFO ensures compliance with VAT notice 749.  
| 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 and submits a claim for repayment annually. |
| Income controls | The RFO ensures that the amount of the Precept received is in accordance with the Precept request sent to the District Council.  
| The RFO ensures that the Precept instalments are received when due.  
| The RFO ensures that the other receipts (deposit interest etc) are received when due and correctly calculated.  
| Individually numbered receipts are issued for cash received and a copy kept.  
| Receipts are recorded on the cash book when received.  
| Income is banked promptly. |
| Financial reporting | A budget control, comparing actual receipts and payments to the budget and the previous year is prepared and presented to council quarterly and minuted. |
| Budgetary controls | The budget is approved by the Parish Council before the end of the financial year preceding the year to which it relates.  
| The Precept amount is identified following approval of the budget; the Precept demand is issued to the billing authority by the date stipulated by the billing authority and in any case before 1st March at the latest. |
| Payroll controls | The Clerk is an employee and the RFO must register the Council with HMRC online. The Council, via the RFO, is responsible for reporting PAYE and NI monthly.  
| The Clerk’s salary is set by the Council and a minute is prepared to show the agreed salary.  
| The Clerk’s salary is paid monthly by cheque.  
| The RFO will ensure that all the necessary payroll returns are made to HMRC and will retain evidence that this has been done.  
| The RFO will act for the Parish Council regarding pension duties and will work with the member appointed as employer’s contact. |
| Office and Clerk’s expenses | The Clerk submits an expense claim form for reimbursement of monies owing by way of an expense account, bi-annually.  
| The expenses cover a contribution towards the cost of maintaining an office at the Clerk’s home and any out of pocket expenses as well as motoring expenses, as laid down by joint SLCC/NALC guidelines.  
| Expenses are paid by cheque and the expenses claim form treated as an invoice for accounting purposes. |
| Asset control | The RFO maintains a full asset register.  
| The existence and condition of assets is checked bi-annually by a member of the parish Council,  
| The adequacy of insurance of the Parish Council’s assets is considered annually in advance of the insurance renewal. |

Signed:…………………………………………………………………….. (Chair)  
Date:………………………………………………………………………

Date Written: January 2020  
Date Adopted: January 2020  
Due for Review: January 2021