

ELSTEAD PARISH COUNCIL

Statement of Internal Control

Cash Book / Bank Reconciliations

- The cash book is kept electronically in spreadsheet form and maintained up to date using original documents including cash/cheques received, invoices, payments and cheques that have been prepared.
- The cash book is reconciled to the bank statement and this is checked by a nominated councillor every quarter and presented at quarterly parish meetings.
- The cash book, cheques written for signature and invoices are reviewed by The Chair at each Parish Council meeting.
- All accounting documentation and supporting documents are reviewed annually by the internal auditor.

Financial Regulations

- The Parish Council has adopted financial regulations based on the model version prepared by NALC. These are reviewed annually.
- 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.
- Quotations are presented in parish council meetings and appear as an agenda item in order for the expenditure to be approved. The approval of expenditure is minuted.

Payment Controls

- Payments are listed in cheque number order in both the cash book and the account files.
- Payments made are listed in the meeting minutes.
- Original invoices are available to the councillors signing the cheques.
- Cheques are signed by two councillors who are authorised to sign on the council's bank mandate.
- The RFO maintains control of the cheque book at all times.
- Monies may be transferred between the PC's accounts however this may only be done via a letter that is presented to the bank with two authorised signatures on the letter.
- When invoices are paid by cheque they are identified by the cheque number, approved by the RFO and referenced in the cashbook with the cheque number. This is cross checked with bank statements.

Online Banking

- The Parish Council has an online banking system but this is only to be used to check bank statements and it may not to be used to make payments in this way.

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 prepares and submits the VAT return annually. This is checked by a nominated independent councillor.

Income Controls

- The RFO ensures that the amount of precept received is correct and in accordance with the precept request sent to the Borough Council and received when due.
- The RFO ensures that other receipts (e.g. interest, land rents, loan repayments, CIL/S106) are received when due and correctly calculated.
- The RFO ensures that income is banked promptly.

Financial Reporting

- A budget control, comparing actual receipts and payments to the budget and the previous year is prepared bi-annually.
- The budget is prepared in consultation with the Parish Council at a specific finance meeting which is held every year and attended by councillors on the Finance Sub-Committee.
- The precept is set on the basis of the budget and submitted before the deadline set by Waverley BC.

Payroll Controls

- The Clerk is paid under PAYE as an employee and the necessary system for HMRC is in place.
- The Clerk's salary is set by SSALC and agreed by the Parish Council. A minute shows any salary changes.
- The RFO will ensure that all the necessary payroll returns are made to HMRC and will retain evidence to that effect.

Office and Clerk's Expenses

- The Clerk submits a request for reimbursement of monies owing by way of an expense form.
- The expenses form is approved and signed off by The Chairman at the meeting.
- Expenses cover a contribution towards maintaining an office at the Clerk's home and any out of pocket expenses as well as motoring expenses as laid down by NALC guidelines.

Asset Control

- The RFO maintains an asset register
- The existence and condition of all the assets are checked annually by the Parish Council
- Insurance is reviewed annually.

Internal/External Audit

- The RFO ensures that all documentation is submitted to the internal auditor within the timeframe specified.
- The RFO will ensure that the audit results are fed back to the Parish Council and minuted.
- The RFO will ensure that the annual accounts reach the external auditor within their timeframe.
- The RFO will ensure that the correct notifications informing the public that the accounts may be viewed are placed on noticeboards and on the Parish Council website.

Reviewed and signed by:

(RFO and Clerk)

(Chairman)