

NORHAM PARISH COUNCIL

INTERNAL CONTROLS

Based on Appendix 9 of Governance and Accountability 2014

Proper Bookkeeping

Accounts are correctly maintained, up to date, and the arithmetic is correct.

Accounts are regularly balanced, and bank reconciliation completed for each bank statement, and prior to every meeting.

Payments are supported by invoices, authorised and minuted. Income is usually paid in electronically. Bank balances and income/expenditure is reported and explained at every Parish Council meeting.

Standing Orders and Financial Regulations adopted, and payment controls applied

The Parish Council has formally adopted Financial Regulations and Standing Orders.

RFO has been appointed with specific duties.

Payments in accounts are supported by invoices, authorised and minuted. VAT on payments is identified, recorded and reclaimed.

S.137 expenditure is separately recorded and within statutory limits.

Risk Management arrangements

Review of Minutes shows no irregular financial activity.

Minutes show that the Parish Council carries out an annual risk assessment.

Insurance cover is reviewed annually and is appropriate and adequate.

Internal financial controls are documented and reviewed at every Parish Council meeting.

Budgetary Controls

The Parish Council prepares an annual budget in support of its Precept.

Actual expenditure against the budget is reported to the Parish Council at every meeting.

There are no significant unexplained variances from the budget.

Income Controls

Income is regularly recorded and promptly banked.

The precept accords with the Council Tax authority's notification. Security controls over cash are adequate and effective.

Petty Cash Procedures

The Council has no petty cash.

Bank Reconciliation

A bank reconciliation is carried out on receipt of each bank statement, and prior to every meeting. There are no unexplained balancing entries in any reconciliation.

Payroll Controls

The Clerk's salary level is as approved by the Parish Council. PAYE/NIC is properly operated by the Parish Council as an Employer

Assets Control

The Parish Council maintains a Register of all Assets owned by it or in its care. The Register of Assets is up to date and is reviewed regularly.

The asset insurance valuations agree with those on the Register of Assets.

Year-end Procedures

Year-end procedures are carried out on the accounting basis of Receipts and Payments.

Accounts agree with the cashbook.

There is an audit trail from financial records to accounts.