

# Brixworth Parish Council

# Internal Controls



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# **Brixworth Parish Council**

## **Systems of Internal Control**

### **Aim**

To monitor and check systems of Internal Control to ensure that activities are conducted in a secure and well-ordered manner, to prevent fraud and corruption.

### **Council**

The Finance Working Group sets a draft budget and precept for the next financial year in October and the Parish Council approves or amends this budget at its December meeting, latest.

The Clerk provides the following information to both the Finance Working Group and the Parish Council prior to its meetings-

- Monthly Bank Reconciliation
- List of Reserves
- Rolling budget showing income and expenditure
- List of all transactions for approval including VAT amounts and legislation re spending powers

All of the above reports are itemised. The specified amounts are contained within the Parish Council minutes.

Bank statements are viewed monthly by two signatory Councillors, and these are signed off and affixed to the bank reconciliation.

All expenditure is incurred in accordance with the approved Financial Regulations.

### **Payments**

All invoices are stamped, dated and input into Scribe by the Parish Council Administrative Assistant. Prior to approval by Council, the Clerk will sign to verify accuracy of data input and validate the expenditure. Two Parish Councillors, usually the **Chair and Vice-Chair**, will check and sign each invoice. The full list of transactions is signed by two authorised signatories after each Full Council meeting. Cheques are to be signed by two Parish Councillors

Where an invoice/receipt is not available, information relating to the payment will be detailed including the reason for its absence from the finance pack. This will be cross referenced with the respective Bank Statement.

### **Verification Check**

An internal check of the accounts and payroll to be carried out at a minimum of three monthly intervals by the Verification Officer. At this meeting, the following will be verified:

Bank Reconciliations	Check monthly reconciliations, compare bank statements and reports of un-reconciled transactions
Invoices	Compare to invoice schedule and bank statement
VAT Returns	Ensure VAT returns completed quarterly and up to date
Payroll	Check Monthly Payroll pack has been filed
Pension	Ensure pension contributions are correct and up to date
PAYE & NI	Ensure PAYE & NI contributions are up to date
Minutes	Minutes are signed, dated and filed from previous months

### **Risk Assessment/Risk Management**

The Parish Council reviews its risk assessments each year. It also reviews its insurance cover and level of Fidelity Guarantee Insurance.

### **Internal Audit**

The Parish Council uses Northants CALC Internal Audit Service to carry out the Internal Audit. The Internal Audit Terms of Reference provided by NCALC are approved by the Council each year.

### **External Audit**

The Audit Commission appoints the External Auditor. The Parish Council's External Auditors are PKF Littlejohn

**Reviewed March 2024**

**Next Review March 2025**

# Brixworth Parish Council Internal Control Checklist



Verification Period: \_\_\_\_\_

	Task	Seen		Comments	Completed
		Yes	No		
<b>Financial</b>					
1	All bank statements filed				
2	Bank Reconciliation for previous month				
3	Invoice folder completed (verify sample to bank statement)				
4	Any income received banked and completed for the previous month				
5	Date of last VAT Refund				
<b>Payroll/Staff</b>					
6	Monthly Payroll pack filed (Previous month)				
7	Tax and NI Paid up to date				
8	Pension Contributions paid & up to date				
<b>Minutes</b>					
9	Minutes signed, dated and filed from previous months				
10	Any other Comments				
<b>Verification Officer</b>					
Signed _____					
Dated _____					