

Felthorpe Parish Council

Chairman: Bob Clarke

Internal Controls

Description	Controls Employed	Frequency	Responsibility
Petty cash	None used.		
Cheques	<p>No pre-signed cheques are ever held. There are three authorised signatories for the Bank account and two signatures are required per cheque.</p> <p>The stubs are also initialled by the signatories. All issued cheques are checked against invoices the signatories before signing.</p> <p>All payments are reported at Council meetings and listed in the Minutes.</p> <p>Invoices that require settlement between Full Council meetings are submitted for checking and authorisation to two Councillors (signatories).</p>	<p>All payments are checked on a monthly basis ahead of the Council meeting.</p> <p>As necessary.</p>	<p>The Clerk ensures that all invoices are prepared for payment and the checks are made by designated Councillors before the Council meeting., and that payment are entered in the minutes.</p> <p>All are viewed annually by the internal auditor.</p>
Direct Debits	None used.		
Standing orders	Standing orders are agreed in council meetings and the arrangement form signed by two signatories.	When the payment is due	The Clerk
Online Banking	View-only access has been give to the parish clerk. This was agreed at council on the understanding that payments could not be made online by the clerk. Two signatories signed the form	Ongoing	The Clerk.
Expenses	Councillors and the clerk are allowed to claim expenses travel expenses upon production of a receipt or invoice.	Monthly, agreement at council meetings.	It is the clerks' responsibility to check

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	<p>Where possible claims requires prior authorisation by the Council.</p> <p>Any claim for expenses must be submitted to the Clerk ten days before the meeting it is to be authorised at.</p>		<p>councilor claims.</p> <p>Claims by the clerk to be agreed to council.</p>
Pre-authorized expenditure	<p>The Clerk has authority to incur any item of expenditure up to £500. Any two of the Chairman, the Vice Chairman and the clerk have the authority to incur any expenditure up to £500 where it is in their view necessary or desirable to act without delay.</p>	As required	The Clerk
	<p>The Chairman's allowance is to be used at the discretion of the Chairman</p>	As required	The Chairman
Bank Account	<p>The Parish Council has three bank accounts; a standard account an interest account and static charity accountant with Barclays Bank. Payments are made from the current account and a standing order of £25 each month is paid from the current account to the savings account.</p>	Monthly.	The Clerk
	<p>Balances are provided to Council on a monthly basis and to the Finance Committee when it meets.</p>	Monthly	The Clerk
	<p>Bank accounts are checked by the Internal Auditor and submitted on the Annual Return to the External Auditor.</p>	Annually	Internal auditor
Salary	<p>Salary scales agreed annually by Council in accordance with National Association of Local</p>	Annually.	The clerk / councilors.

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	<p>Councils and calculated pro rata to agreed hours worked per 37 hour week (currently 4 hours per week for the Clerk). A payroll provider is employed to ensure that accurate deductions for Tax and NI are made.</p> <p>The salary is paid monthly by standing order and is reviewed each year at the May meeting.</p>		
VAT	VAT is claimed from HMRC to current guidelines.	When necessary.	The Clerk.
Invoicing	All work carried out on behalf of the Parish Council is authorised before either by a contract or by a firm quotation. All invoices are paid on a monthly basis and are checked by a designated Councillor (see cheques)	Monthly	The Clerk and signatories
Bank Reconciliation	<p>Monthly reconciliation between bank statements and the accounts are carried out by the Clerk to ensure accuracy.</p> <p>Seen by the internal auditor before audit sign off.</p>	<p>Monthly</p> <p>Annually</p>	<p>The Clerk.</p> <p>Internal auditor.</p>
Internal Audit	The Internal Auditor reviews procedures and makes spot checks on financial payments and provides a written report to council.	Annually	Internal auditor.
Insurance	<p>Insurance is renewed annually by the clerk and agreed by councillors.</p> <p>The Insurance Company is advised of any changes to assets and the policy is changed accordingly</p>	Annually or when assets change.	Clerk and councillors.
Risk Assessment	Risk Assessments are carried out annually by the appointed councillor.	Annually	Appointed councillor

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	The checks cover finance, assets and any other activity deemed necessary.		
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