

ASTON, COTE, SHIFFORD & CHIMNEY PARISH COUNCIL

CLERK'S BRIEFING NOTES

PARISH COUNCIL MEETING ON 3 MARCH 2016

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Correspondence sent since 4 February 2016

- a) Letter to WODC Planning officer with objections to proposed application for Chimney Farm Barns
- b) Email to WODC Planning officer with objections to proposed application for 8 Foxwood Close, Aston
- c) Email to WODC Planning officer with objections to proposed application for Dairy Barn, Cote
- d) Letter to Volunteer Link-up inviting them to send a representative to the APM

Financial Matters**1. Cash Balances**

	£
<i>SANTANDER CURRENT ACCOUNT</i>	
Balance at 31 January 2016	5,051.59
Transactions in month	NIL
Balance at 29 February 2016	<u>5,051.59</u>
 <i>UNITY TRUST CURRENT ACCOUNT</i>	
Balance at 31 January 2016	4,436.36
February payments	(661.62)
Balance at 29 February 2016	<u>3,774.74</u>
 <i>NATIONWIDE DEPOSIT ACCOUNT</i>	
Balance at 31 January 2016	27,980.00
Transactions in month	NIL
Balance at 29 February 2016	<u>£27,980.00</u>
 <i>SANTANDER BUSINESS DEPOSIT ACCOUNT</i>	
Balance at 31 January 2016	533.04
Transactions in February: interest received	0.20
Balance at 29 February 2016	<u>£533.24</u>
 TOTAL CASH HOLDING AT 29 FEBRUARY 2016	 <u>£37,339.57</u>

ASTON, COTE, SHIFFORD & CHIMNEY PARISH COUNCIL ANNUAL REVIEW OF EFFECTIVENESS OF INTERNAL CONTROLS

1.0 Overview

- 1.1 The Parish Council is required to confirm in its Annual Return to the External Auditor that it has “maintained an adequate system of internal control... and reviewed its effectiveness.”
- 1.2 The Parish Council has two documents covering the management of its financial affairs – a set of Financial Regulations and a Statement of Internal Control. The Parish Council's Financial Regulations were comprehensively reviewed and updated in October 2015.
- 1.3 The Parish Council now needs to review the system of internal control again so that it can properly sign the Annual Return for 2015/16 when it is due.

2.0 Financial Regulations

- 2.1 The Financial Regulations document which was adopted by the Parish Council at the meeting on 1 October 2015 was circulated in that month's papers. It can be recirculated to Councillors if requested.

3.0 Statement of Internal Control

- 3.1 This statement, originally prepared by the Clerk in 2009 and last circulated to Councillors in March 2015, follows this report.
- 3.2 The Clerk has reviewed the statement and confirms that it continues to reflect actual practice. Minor amendments have been made to refer to BACS payments now that amounts due can be settled by BACS.

4.0 Recommendation

- 4.1 That the Parish Council reviews the Statement of Internal Control to consider whether the controls currently in place are effective.

Prepared by: Helen Sandhu, Clerk and RFO
26 February 2016

ASTON, COTE, SHIFFORD & CHIMNEY PARISH COUNCIL

STATEMENT OF INTERNAL CONTROL

Prepared by H. Sandhu, RFO

Last reviewed and reapproved at a meeting of the Parish Council on 5 March 2015

Cash Book/Bank reconciliations	<ul style="list-style-type: none"> • The cash book is kept up to date from original documents (paying-in books, invoices, cheque stubs, BACS transactions) • The cash book is reconciled to the bank statement on a quarterly basis • The bank reconciliation is reviewed and approved by a member of the Parish Council (usually the Chairman), with reference to the underlying records (cash book and bank statements) • The bank reconciliation is reported to the full Parish Council and minuted as such • 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	<ul style="list-style-type: none"> • A document listing the Parish Council's financial regulations, based on the model version prepared by NALC/SLCC is maintained. The regulations are reviewed for continued relevance and amended where necessary by the Responsible Financial Officer with any proposed amendments subject to approval by the Parish Council
Order/Tender controls	<ul style="list-style-type: none"> • 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
Legal Powers	<ul style="list-style-type: none"> • A proper legal power is identified in advance of any expenditure. The legal power for expenditure is shown on the agenda and minutes for payments made
Payment controls	<ul style="list-style-type: none"> • Depending on the nature of the supply, the RFO 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/letters ordering the work are matched to purchase invoices where applicable • All invoices for payment are listed on the meeting agenda where the cheques are to be signed/BACS payments approved • Payments made are listed in the minutes of the meeting • Original invoices are provided to the Councillors signing the cheques/authorising the BACS payments • Invoices paid are numbered and the same number entered on the cheque counterfoil and in the cashbook for cross reference purposes

	<ul style="list-style-type: none"> • The cheque number used to settle an invoice and the date it was signed are entered on the invoice for cross reference purposes. For BACS payments, the BACS payment date is entered on the invoice for cross reference purposes.
s137	<ul style="list-style-type: none"> • A separate s137 account is maintained • The RFO calculates the maximum amount of s137 expenditure able to be made each year 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 • Where requests for expenditure from s137 are made this is made clear on the meeting agendas where the payment is to be approved • The proper minute authorising expenditure from s137 is prepared on each occasion
VAT repayment claims	<ul style="list-style-type: none"> • RFO ensures that all invoices are addressed to the Parish Council. • RFO ensures that proper VAT invoices are received where VAT is payable • RFO maintains a VAT account to show that the correct amount of VAT is reclaimed in the year
Income controls	<ul style="list-style-type: none"> • RFO ensures that amount of the precept received is correct in accordance with the precept request sent to the District Council • RFO ensures that the precept instalments are received when due • RFO ensures that other receipts (deposit interest, grass cutting grant) are received when due and correctly calculated • Income is banked promptly
Financial reporting	<ul style="list-style-type: none"> • A receipts & payments account, comparing actual expenditure to the budget and the prior year is prepared on a quarterly basis, presented to the Parish Council and minuted as such
Budgetary controls	<ul style="list-style-type: none"> • The budget is prepared in consultation with the Parish Council, as evidenced by reports and minutes in advance of the start of the year • The precept is set on the basis of the budget by the deadline set by the District Council
Payroll controls	<ul style="list-style-type: none"> • The Clerk is paid under PAYE as an employee • The Clerk's salary is set by the Council and a minute is prepared to show the agreed salary • The salary is paid by BACS, with the BACS payment authorised by two Councillors • The RFO ensures that all the necessary payroll returns are made to HMRC and retains evidence that this has been done

Asset Control	<ul style="list-style-type: none">• The RFO maintains a full asset register• The existence and condition of assets is checked on a six monthly basis 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
Internal Audit	<ul style="list-style-type: none">• A suitably experienced independent internal auditor is appointed by the Parish Council• An internal audit of the Council's accounting records and financial and other procedures is carried out once a year• The internal auditor prepares a report addressed to the Parish Council which is considered at the next meeting• The Parish Council ensures that it is satisfied that the internal audit is effective before making arrangements for the new annual internal audit