

STANION PARISH COUNCIL

COUNCILLOR INTERNAL CONTROL CHECKLIST – REPORT FOR THE NOVEMBER 2020 MEETING OF THE FULL COUNCIL

ACTION	AUDIT TRAIL	EVIDENCE SEEN
<p>ALL ANTICIPATED INCOME RECEIVED</p> <ol style="list-style-type: none"> 1. Precept – normally received in July each year 2. Interest received 3. Mowing Grant – Historically, the mowing grant is received towards the end of each FY 4. VAT Refund – applied for quarterly, but is dependent on the amount being reclaimed 	<p>PRECEPT APPLIED FOR</p> <ol style="list-style-type: none"> 1. Application for Precept submitted before CBC deadline <p>INTEREST RECEIVED</p> <ol style="list-style-type: none"> 1. Listed on bank statement 2. Verified on bank reconciliation <p>VAT REFUND</p> <ol style="list-style-type: none"> 1. Purchase invoices checked by RFO for VAT content. VAT supplier number and amounts recorded in SAGE accounts ledger. VAT 126 Form completed with details of all relevant invoices and amounts to be recovered 2. VAT recorded against a dedicated nominal code 3. VAT recovery accomplished on quarterly basis 4. Recovery amount notified to the PC by the RFO in the meeting(s) report 5. Recovery payment checked against requested recovery amount as listed on the VAT 126 form 	<p>PRECEPT RECEIVED FROM CBC</p> <ol style="list-style-type: none"> 1. The Precept for FY 2020/21 was received early, on 3 April 2020. UTB Bank Statement No 046 confirms. CBC advises the submission deadline date for the Precept request (normally in November each year) to be submitted to them and the Precept letter is on file. Clerk/RFO is aware of the deadline date and the submission process and the application is made well in advance of the submission date <p>Request for the Precept for FY 2020/21 was submitted to CBC by the RFO in December 2019. A copy of that Precept request form is on file</p> <p>The Precept income is recorded in the SAGE system by the RFO. Receipt of the income is supported by the Unity Trust bank statement and shown in the reconciliation report produced by the RFO for presentation at the meeting of the full Council</p> <p>INTEREST RECEIVED</p>

		<p>Stanion Parish Council does not have any interest-bearing accounts</p> <p>MOWING GRANT</p> <p>1. The RFO will submit the invoice for the FY 2020/21 mowing grant to NCC in December 2020. Payment of the grant is usually made at the end of each FY</p> <p>Receipt of the grant will be confirmed by the Clerk/RFO against the receipt listed on the Unity Trust bank statement</p> <p>VAT REFUND</p> <p>VAT paid on all purchase invoices is checked and verified by the RFO</p> <p>A VAT 126 Form is completed by the RFO and checked to ensure that all appropriate recovery amounts and supporting details have been included on the form. A copy of the form is sent to the Clerk for retention in the hard copy file</p> <p>A separate NC of 115 and Centre code of 999 is listed in the accounts</p> <p>VAT recovery for the period 1.4.2020 to 30.9.2020 has been applied for. Copy of completed VAT 126 form is on file (mailed to HMRC on 9 October 2020). Awaiting payment of the amount of £664.53</p> <p>Recovery amounts are advised to the Clerk by the RFO and are reported to the PC at each full meeting of the Council</p>
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		Recovery amount is checked against the VAT 126 Form and verified by the RFO prior to notification to the Clerk and the PC
EXPENDITURE IN LINE WITH BUDGET	<ol style="list-style-type: none"> 1. Purchase invoices entered onto accounts ledger 2. Actual v Planned Spend Report produced by the RFO and presented at each meeting of the full Council 3. No expenditure against a nominal code without sufficient funds allocated to that NC 4. Virement action, approved by the full Council is taken and confirmed by the RFO prior to any actual spend against a NC that does not have sufficient funds to cover a purchase 	<ol style="list-style-type: none"> 1. Invoices entered into SAGE by the RFO. In addition, original copies are held by Clerk 2. The RFO provides a Gross Payments & Receipts v Budget Report to the PC for each meeting of the full Council. Hard copies of the report are held on file by the Clerk 3. All nominal codes have sufficient funds allocated against them to cover planned spend and where an anticipated shortage is predicted, virement action is undertaken prior to the spend. All decisions to fund from the Reserves are voted on by the full Council and confirmed in the Minutes 4. Virement action is resolved upon prior to any expenditure being incurred. Virement action is undertaken by the RFO and confirmed to the Clerk by email and reported on at the next meeting of the full Council. Copies of virement actions and their authorisation (<i>recorded in the Minutes</i>) are held on file by the RFO and Clerk
EXPENSES ARE AUTHORISED BEFORE PAYMENT IS MADE	<ol style="list-style-type: none"> 1. All purchases are made in accordance with the SOs and Fin Regs 	<ol style="list-style-type: none"> 1. All purchases have the legal power recorded on the LOP for authorisation form

2. All purchases pre-approved by the PC *(unless in an emergency and then to be reported and authorised ASAP)*
3. Receipt of items or services provided is confirmed by the Clerk prior to the invoice amount entry being made on the LOP for Authorisation form
4. All supplier invoices are listed on the LOP to be Authorised form and authorised at each meeting of the full Council
5. LOP for authorisation form is supported by copies of invoices/credit notes for each expense and are verified against the amount listed on the LOP for authorisation form
6. The LOP for authorisation is voted on and noted in the Minutes
7. LOP for authorisation form is signed and dated and maintained as an official record
8. All cheques signed by 2 Councillors *(or by one Councillor and the Clerk in an emergency)* and cheque stubs initialled by those signing the cheques
9. Electronic payments are posted on Unity Bank by the Clerk or RFO and payments are approved by one Councillor
10. Personal expense claims *(e.g. mileage, stamps, etc.)* are verified for accuracy and appropriateness and in all cases are supported by receipts

2. All purchases conform to the process as stated in the Fin Regs
3. Receipt of goods/services is confirmed by the Clerk to the RFO in writing and to the Cllr authorising the payment before payment for any goods/services is processed. Pre-approved recurring contract items are listed on the LOP for authorisation at each meeting of the full Council prior to the service being delivered. This is to ensure that payment of the invoice for a contracted service is not delayed because it falls in a month(s) when a full meeting of the Council is not held. Payment of these invoices is only made after confirmation of delivery of the service by the Clerk to the RFO and authorising Cllr. Authorisation for this is recorded in the Minutes
4. All purchase invoices are listed on the LOP for authorisation form and payment is resolved upon at a meeting of the full Council and noted in the Minutes. Bank charges and direct debit payments are also listed prior to or as they become due
5. A copy of each invoice supporting each entry on the LOP for Authorisation form is attached to the form and is checked by the authorising Cllrs against the relevant entry on the form
6. The LOP for authorisation is voted on and the resolution recorded in the Minutes
7. The LOP for authorisation form is signed by 2 Councillors who are not cheque

		<p>signatories, dated, and the original is held on file by the Clerk</p> <p>8. It is uncommon for a payment to be made by cheque, but the Fin Regs are quite clear as to the requirements for a cheque to be signed by 2 Councillors and for the cheque book stub to be initialled by those signing the cheques</p> <p>9. Electronic payments are normally posted the Clerk but may be posted by the RFO if the Clerk is unavailable (<i>both have access permissions to Unity Bank to enable them to do this for business continuity reasons</i>) and each electronic payment is approved by one Councillor with the required permission to do so</p> <p>10. All claims for expenses are supported by a receipt, reported to the Council on the LOP for authorisation form and resolved upon at each meeting of the full council</p>
<p>RECORDING OF INCOME & EXPENDITURE AND BANK RECONCILIATION</p>	<ol style="list-style-type: none"> 1. Purchase invoices are recorded in the accounts ledger when they are received and listed on the LOP for authorisation form for each meeting of the full Council 2. Cash received is deposited into Unity Trust Bank in line with the Fin Regs and cash handling controls 3. Monthly bank reconciliation is produced by the RFO, collated and submitted to the full Council at each scheduled meeting 	<ol style="list-style-type: none"> 1. All invoices are recorded in SAGE, which maintains the master electronic file of invoices. All invoices details are recorded on the LOP for authorisation form. A file of the original hard copy invoices is maintained by the Clerk 2. No cash has been received this FY to date. However, should the need arise, the process for dealing with such is clearly stated in the Fin Regs 3. Monthly bank reconciliations are undertaken by the RFO, collated and presented to the PC for each meeting of the full Council. The reports presented

		cover the period from the time of the last scheduled meeting of the full council to date. Reports and reconciliations are received and resolved upon by the full Council at each meeting and this fact is recorded in the Minutes
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DATE REVIEW CONDUCTED	26 October 2020
NAME OF COUNCILLOR CONDUCTING THE REVIEW	Helen Heelan
SIGNATURE	(SIGNED ON ORIGINAL)
DATE	26 October 2020