

**CAXTON PARISH COUNCIL  
INTERNAL FINANCIAL CONTROLS & RISK ASSESSMENT**

THE DAY-TO-DAY MANAGEMENT RESTS WITH THE CLERK/RFO WHO MANAGES THE PARISH COUNCIL'S ACCOUNTS AND RISKS AND WHO REPORTS TO THE PARISH COUNCIL AND MAKES RECOMMENDATIONS

MONTHLY OR QUARTERLY CHECKS FOR COMPLIANCE RESTS WITH THE FINANCIAL OVERSEER (ONE OF THE TWO MEMBERS SIGNING THE CHEQUES FOR PAYMENT) WHO REPORTS TO THE PARISH COUNCIL AND MAKE RECOMMENDATIONS AS REQUIRED

ANNUAL CHECKS FOR COMPLIANCE ARE CARRIED OUT BY THE PARISH COUNCIL'S INTERNAL AUDITOR WHO MUST REMAIN INDEPENDENT AND NOT OFFER ANY ADVICE OR MAKE RECOMMENDATIONS

THE ULTIMATE RESPONSIBILITY FOR THE PARISH COUNCIL'S ACCOUNTS, ASSETS AND RISK ASSESSMENT RESTS CORPORATELY WITH THE PARISH COUNCIL WHO MUST IDENTIFY IF AN ASPECT OF THIS PROCEDURE IS WEAK OR NOT BEING UNDERTAKEN EFFECTIVELY AND TAKE STEPS TO RECTIFY THE SITUATION.

SUBJECT	CHECKS	RESPONSIBLE	CHECKING FREQUENCY
<b>1. GENERAL FINANCIAL MANAGEMENT</b>	CASH BOOK IS MAINTAINED & UP TO DATE	FO	HALF YEARLY
	CASH BOOK ARITHMETICALLY CORRECT		HALF YEARLY
	BALANCES VERIFIED AGAINST BANK STATEMENT		BI-MONTHLY (CURRENT A/C) QUARTERLY (OTHER SAVINGS A/C)
	RECORD AGREES WITH INVOICES/RECEIPTS		MONTHLY
	BI-MONTHLY FINANCIAL STATEMENT FROM RFO RECEIVED AND CONSIDERED AND MINUTED		BI-MONTHLY
	REPORT FROM FINANCIAL OVERSEER CONSIDERED BY PC AND MINUTED		WHEN APPLICABLE
	YEARLY REPORT FROM INTERNAL AUDITOR CONSIDERED BY PC AND MINUTED		YEARLY

**NOTES**

FO = FINANCIAL OVERSEER, SIGNATORIES OR IF NOT PRESENT ANY MEMBER

QUARTERLY = SEPTEMBER, DECEMBER, MARCH, JUNE.

SIGNATORIES ARE ANY TWO PARISH COUNCILLORS. PAYMENTS ALWAYS AUTHORISED BY FORMAL RESOLUTION AT P.C. MEETING, IN ADVANCE EXCEPT IN AN EMERGENCY WHEN ACTION WILL BE AUTHORISED BY THE CLERK AND/OR CHAIRMAN IN ACCORDANCE WITH STANDING ORDERS AND REPORTED TO THE NEXT MEETING.

<b>2. FINANCIAL REGULATIONS</b>  <b>A) STANDING ORDERS</b>  <b>B) PAYMENT CONTROLS</b>	STANDING ORDERS FORMALLY ADOPTED	PARISH COUNCIL	ANNUALLY MAY
	FINANCIAL REGULATIONS ARE UP-TO-DATE		
	CORRECT NUMBER OF ESTIMATES, QUOTES, TENDERS HAVE BEEN OBTAINED (COMPETITIVE PURCHASING) PROPER PURCHASE AUTHORITY IS IN PLACE	FO	WHEN APPROVING QUOTES OR PAYMENT
	PROPER LEGAL POWER HAS BEEN IDENTIFIED FOR EXPENDITURE		WHEN APPROVING
	CHEQUES SIGNED ANY TWO AUTHORISED SIGNATORIES	SIGNATORIES & FO	WHEN APPROVING
	SUPPORTING PAPERWORK CONFIRMS THERE IS A FULLY APPROVED INVOICE	FO	WHEN APPROVING
	VAT IDENTIFIED & RECLAIMED REGULARLY		HALF YEARLY
	MONITOR & RECORD SECTION 137 EXPENDITURE		WHEN APPROVING
<b>3. RISK ARRANGEMENTS</b>	FORMAL REVIEW OF RISK ASSESSMENT	PARISH COUNCIL	ANNUALLY
	REVIEW OF INSURANCE IS UNDERTAKEN & MINUTED	FO	ANNUALLY
	REGISTER OF ASSETS IS UP-TO-DATE		ONGOING
	REGULAR CHECKS OF ASSETS UNDERTAKEN (E.G. PLAY EQUIPMENT, BINS & BENCHES, PAVILION NO LESS FREQUENTLY THAN WEEKLY, TREES ANNUALLY	VICE-CHAIRMAN / CLERK AS APPROPRIATE	WEEKLY, MONTHLY & ANNUALLY AS APPROPRIATE
	ANNUAL ASSETS REVIEW	APPOINTED MEMBER	ANNUALLY
	ANNUAL REVIEW OF CONTRACTS	FO / PARISH COUNCIL	ANNUALLY
	ORIGINAL MINUTES PROPERLY NUMBERED AND KEPT SAFELY	CHAIRMAN / CLERK	HALF YEARLY
	REGISTERS OF MEMBERS' INTERESTS IS UP-TO-DATE		ONGOING
	INTERNAL FINANCIAL CONTROLS DOCUMENTED & REVIEWED	FO / PARISH COUNCIL	ANNUALLY

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<b>4. BUDGETARY CONTROLS</b>	REVIEW OF BUDGET IS UNDERTAKEN & MINUTED	FO / PARISH COUNCIL	ANNUALLY
	ENSURE PRECEPT IS IN LINE WITH BUDGET		HALF YEARLY
	REGULAR REPORTING OF EXPENDITURE IS MINUTED		BI-MONTHLY
	SIGNIFICANT VARIANCES FROM BUDGET ARE REPORTED & MINUTED		HALF-YEARLY
	ENSURE ADEQUATE GENERAL RESERVES ARE MAINTAINED		ANNUALLY
<b>5. INCOME CONTROLS</b>	PRECEPT IS PROPERLY RECORDED & PROMPTLY BANKED	FO	HALF YEARLY
	INCOME PROPERLY RECORDED & PROMPTLY BANKED		HALF YEARLY
	PRECEPT RECORDED IN CASHBOOK AGREES TO THE DISTRICT COUNCIL'S NOTIFICATION		HALF YEARLY
	SECURITY CONTROL OVER CASH ADEQUATE & EFFECTIVE		NO PETTY CASH IN OPERATION
	MEMBERS RECEIVING CASH/CHQS ON THE PC'S BEHALF NOTIFY THE RFO IMMEDIATELY & ARRANGEMENTS MADE TO BANK WITHIN 24 HOURS		ONGOING
<b>6. PETTY CASH PROCEDURES</b>	NO PETTY CASH USED. REIMBURSEMENT TO THE CLERK OR MEMBERS ON RECEIPT OF INVOICE (LGS SERVICES) OR WRITTEN REQUEST FROM MEMBER FOR OUT OF POCKET EXPENSES INCURRED WITH PRIOR APPROVAL OF THE PC, ON THE PC'S BEHALF.	FO	BI-MONTHLY
	REIMBURSEMENT CARRIED OUT REGULARLY	FO	NOT LESS THAN HALF YEARLY

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<b>7. PAYROLL CONTROLS</b>	PAYE PROPERLY OPERATED BY THE COUNCIL AS AN EMPLOYER	FO	ANNUALLY
	REVIEW OF CLERK'S CONTRACT	PARISH COUNCIL	ANNUALLY
	REVIEW OF OTHER EMPLOYEES CONTRACTS (AS APPROPRIATE)		ANNUALLY
	SALARIES PAID AGREE WITH THOSE APPROVED BY COUNCIL	FO	BI-MONTHLY
	OTHER PAYMENTS TO THE CLERK REASONABLE FOR ADDITIONAL HOURS WORKED SHOULD BE AGREED BY THE CHAIRMAN AND/OR PC FOR LARGE PROJECTS OR ADDITIONAL MEETINGS	CHAIRMAN	ONGOING
	WHERE AN OFFICER OR MEMBER HAS AN INTEREST IN A PAYMENT THEN THEY SHOULD BE EXCLUDED FROM THE PROCESS OF APPROVAL BY LEAVING THE MEETING THEN THE PAYMENT IS CONSIDERED AND APPROVED. WHERE THIS IS THE CASE THEN A COPY OF THE INVOICE SHOULD BE SENT TO THE SIGNATORIES PRIOR TO THE MEETING. (ADDED Sept 2011)	PARISH COUNCIL	ONGOING
<b>8. ASSET CONTROLS</b>	ASSET REGISTER KEPT OF ALL MATERIAL ASSETS OWNED	FO	ANNUALLY
	ASSET/INVESTMENT REGISTER UP TO DATE		ANNUALLY
	ASSET INSURANCE VALUATIONS AGREE WITH THOSE IN ASSET REGISTER		ANNUALLY
<b>9. BANK RECONCILIATION</b>	BANK RECONCILIATION FOR EACH ACCOUNT	FO	BI MONTHLY (CURRENT A/C) QUARTERLY (ON SAVINGS A/Cs)
	BANK RECONCILIATION CARRIED OUT REGULARLY ON RECEIPT OF STATEMENTS	FO	ON GOING

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<b>10. YEAR-END PROCEDURES</b>	YEAR-END ACCOUNT PREPARED ON THE CORRECT ACCOUNTING BASIS (CURRENTLY R&P)	FO / PARISH COUNCIL	ANNUALLY
	ACCOUNTS AGREE WITH THE CASH BOOK		ANNUALLY
	AUDIT TRAIL FROM UNDERLYING FINANCIAL RECORDS TO THE ACCOUNTS		ANNUALLY
	DEBTORS & CREDITORS PROPERLY RECORDED		ANNUALLY
	NOTIFY THE PUBLIC OF ITS RIGHT TO INSPECT THE ACCOUNTS	PARISH COUNCIL	ANNUALLY
	DISPLAY COPY OF STATEMENT OF ACCOUNTS ON COMPLETION OF AUDIT		ANNUALLY FOLLOWING COMPLETION OF AUDIT
	YEAR-END ACCOUNTS APPROVED & SIGNED		ANNUALLY – BY END OF JUNE
	STATEMENT OF ASSURANCE CONSIDERED AND SIGNED		ANNUALLY BY END OF JUNE
INTERNAL AUDITOR & EXTERNAL AUDITOR OBSERVATIONS AND REQUESTS CONSIDERED AND WHERE APPROPRIATE IMPLEMENTED	ANNUALLY		

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<b>11. OTHER</b>	(IN EVENT OF FIRE AT PC OFFICE OR CLERK'S HOME) SEPARATE RECORD OF ACCOUNTS	FO	BI-MONTHLY
	COPIES OF ALL PC MINUTES	FO	BI-MONTHLY
	ALL ORIGINAL COPIES OF DEED, LEASES OR OTHER LEGAL DOCUMENTS TO BE PHOTOCOPIED AND THE ORIGINALS TO BE ARCHIVED WITH COUNTY RECORDS OFFICE OR PC'S SOLICITOR	PARISH COUNCIL	ANNUALLY
<b>12 GENERAL</b>	HEALTH & SAFETY POLICY. REQUIRED ONLY IF COUNCIL HAS MORE THAN FIVE EMPLOYEES CALC H&S POLICY USED AS GUIDELINE	PARISH COUNCIL	ANNUALLY
	ACCIDENT BOOK TO RECORD ALL ACCIDENTS ON PC LAND OR ASSETS OR TO STAFF DURING WORK. REPORTED TO PC MEETING	FO	ONGOING
	THE PARISH COUNCIL WILL APPOINT SUCH PROFESSIONALS AND OR THE SERVICES OF A SOLICITOR (OR FIRM OF SOLICITORS) TO ADVISE THE COUNCIL ON MATTERS AS APPROPRIATE WHICH ARE DEEMED BEYOND THE REMIT OF THE CLERK	PARISH COUNCIL	ONGOING
	THE PC WILL IDENTIFY AND CONSIDER ALL OTHER RISKS AS THEY OCCUR AND WILL MODIFY THIS LIST AS APPROPRIATE	PARISH COUNCIL	ONGOING

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