SILKSTONE PARISH COUNCIL

Internal Financial Controls – reviewed March 2018

Internal Controls – Question/Action List (Date)

'FR' = Financial Regulation

			FR	
1		**General**		
	a	Appointed responsible financial officer with duties listed in Financial Regulations?	1.8	
	b	Minute showing appointment of internal auditor?	2.5	
	c	Are appropriate books of account properly kept throughout the year as stipulated by Financial Reg 1.11?	1.11	
2		**Accounting and Audit**		
	a	Are Financial Regulations in place & regularly reviewed?	18.1	
	b	Is an internal audit carried out annually?	2.5	
	c	Confirm that at least once in each quarter, and at each financial year end, a member other than the Chairman checks bank reconciliations, signing the reconciliations and the original bank statements.	2.2	
	d	Is VAT accounting correct (registration requirement and basis of recording and recovering VAT on expenditure)?	9.8	
	e	Is a clear analysis presented to support the end of year statements?	2.3	
	f	Are the year-end statements supported by an adequate audit trail?	2.3	
	g	Is a record of debtors and creditors maintained?		
3		**Annual Estimates (Budget) and Forward Planning**		
	a	Are reserves/bank balances appropriate?	3.2	

	b	Did the RFO present a draft budget to the finance committee in November and the Finance Committee present a budget to for consideration to Council in December?	3.2	
	c	Did the Council fix the precept no later than the end of January?	3.4	
4		**Budgetary Controls**		
	a	Does the RFO report to council regularly to give progress reports on expenditure versus budget?	4.8 3.5	
	b	Confirm that no expenditure is authorised exceeding the budget for that class of expenditure, without a council resolution.	4.2	
5		**Banking Arrangements and Authorisation of Payments**		
	a	Is the Cash book up to date, correctly sub-totalled and accounts reconciled at least once per quarter?	5.4	
	b	Is there a clear separate list of S137 payments and explanation provided for the use of a 'power of last resort'		
	c	Confirm that all payments are listed on a schedule of payments, which is authorised by a resolution of the council, and that the approved schedule is initialled by the Chairman of the Meeting.	5.2	
	d	Check that the use of delegated authority to the RFO to make payments is consistent with Financial Reg 5.5	5.5	
	e	Is there a record of regular payments (i.e. resulting from continuing contracts or statutory duty, such as salaries and maintenance contracts) which is signed by two members on each occasion when payment is authorised?	5.6 5.7	
	f	Are grants awarded and paid according to the Grants Policy?	5.8	
	g	Are all payments supported by invoices/receipts?	5.3 6.5	
6		**Instructions for the making of payments**		

	a	Are cheques, and cheque stubs, signed/initialled by 2 members?	6.5	
	b	Are payments by Standing Order and Direct Debit, approved by 2 members, with evidence of this approval retained?	6.7 6.8 6.9	
	c	Are PINs properly protected?	6.11 6.12	
	d	Are data backup arrangements adequate, and is appropriate IT security protection in place?	6.13 6.14	
	e	Are payments by charge card approved by 2 members, with evidence of this approval retained?	6.18	
7		**Payment of Salaries**		
	a	Is there a minute and contract which details the employees' pay and conditions?		
	b	Are employees paid according to contracts?	7.2	
	c	Have PAYE and NI payments been made (if required) or written contact been made with the Inland Revenue giving details of taxable income?	7.1	
8		**Loans and Investments**		
	a	Are balances invested in the best safe account?	8.5	
	b	Are all loan and investment payments and transfers carried out in accordance with standard rules for authorisation of payments?	8.8	
9		**Income**		
	a	Are checks in place to ensure the correct precept has been received?	3.4	
	b	Was all anticipated income received, or are variances fully explained?		
	c	Are VAT refunds received quarterly?	9.8	
	d	Does the system of receipt of income ensure that it is properly recorded and promptly banked?	9.5	

	e	Does the Council review all fees and charges at least annually, following a report by the Clerk.	9.3	
10		**Orders for work, goods and services**		
	a	Is an official order or letter issued for all work, goods and services and copies obtained (except where a formal contract is to be prepared or an official order would be inappropriate).	10.1	
	b	Is best value obtained?	10.3	
11		**Contracts**		
	a	Is the tender process followed for all contacts exceeding £60,000?	11.1.b	
	b	In respect of qualifying contracts under £30,000 are the requirements to obtain quotations and estimates followed?	11.1.h	
12 & 13		**Not used**		
14		**Assets**		
	a	Is the Asset Register complete and accurate?	14.1	
	b	Is the Asset Register checked/modified at least yearly?	14.6	
	c	Has any tangible moveable property been purchased or disposed of, and if so, have the regulations been observed?	14.2 – 14.5	
15		**Insurance**		
	a	Is a current insurance in place, and does it cover all appropriate risks?	15.1	
16		**Not used**		

17		**Risk Management**		
	a	Have risks been listed, assessed and minimised?	17.1	
	b	Has the council reviewed risk management within the last 12 months	17.1	

Prepared by Cllr Debra Smith and checked by Karen Canadine Parish Clerk and RFO March 18.

Presented to Full Council for approval on 9 April 18

Signed _____ Responsible Finance Officer, Silkstone Parish Council

Signed _____ Chair, Silkstone Parish Council

Date 9 April 18