



BARNHAM & EASTERGATE PARISH COUNCIL

Statement of Internal Control and Annual Review of Effectiveness of Internal Control

Bank Reconciliations

- The bank reconciliation is reported to the Parish Council at each meeting of Full 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 expenditure lists.

Financial Regulations

- The Parish Council has adopted financial regulations, based on the model version prepared by NALC. The regulations are reviewed annually 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.
- 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.

Payment Controls

- Depending on the nature of the supply, the RFO agrees 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.
- All invoices paid and payments made are listed and presented at the Full Council Meeting. The expenditure is to be noted retrospectively.
- Payments will be made by internet banking with the Clerk & RFO as Systems Administrator and one other authorised Councillor approving the payments.
- The RFO is authorised to transfer funds from one account to another, but not to make third party payments outside of the bank accounts in any form.
- The RFO is authorised to set up direct debit payments.
- Each payment is allocated a unique number which is logged in the excel accounts book
- All payments are cross referenced with the bank statements.

VAT Repayment Claims

- The RFO ensures that all invoices are addressed to the Parish Council.
- The RFO ensures that proper VAT invoices are received where VAT is payable.
- The RFO maintains a VAT account to show that the correct amount of VAT is reclaimed in the year.

Income Controls

- The RFO ensures that amount of the precept received is correct in accordance with the precept request sent to the District Council.
- The RFO ensures that the precept instalments are received when due.
- The RFO ensures that other receipts are received when due and correctly calculated.
- The majority of income is received electronically directly into the Council's bank account.
- Cheques received are banked as soon as practicable.
- Cash payments are not accepted.

Financial Reporting

- A Budget control, comparing actual receipts and payments to the budget and the previous year is prepared on at least a quarterly basis, presented to the Parish Council in advance of the meeting and minuted.
- The budget is prepared in consultation with the Parish Council, as evidenced by reports and minutes in advance of the start of the financial year.
- The precept is set on the basis of the budget by the deadline set by Arun District Council

Payroll Controls

- The Clerk, Assistant Clerks and Litter Picker are paid under PAYE as an employee and the necessary system for HMRCRTI is in place.
- The Clerk, Assistant Clerks and Litter Picker salaries are set as per their contract.
- The salary is paid by bank transfer.
- The Clerk will ensure that all the necessary payroll returns are made to HMRC and will retain evidence that this has been done.

Office and Clerk's Expenses

- The Clerk, Assistant Clerks and Litter Picker submit copies of receipts (where available) for reimbursement of monies owing for office supplies and other expenses and also mileage claims where applicable at the recommended rate.

Asset Control

- The Clerk maintains a full asset register.
- The adequacy of insurance of the Parish Council's assets is considered annually in advance of the insurance renewal.