

## STEEPLE PARISH COUNCIL STATEMENT OF INTERNAL CONTROL

Financial Regulations	<ul style="list-style-type: none"> <li>• The Council has adopted financial regulations which govern the conduct of financial management by the Council.</li> <li>• Financial regulations may only be amended or varied by resolution of the Council.</li> <li>• Financial regulations must be observed alongside the Council's standing orders and any individual regulations relating to contracts.</li> </ul>
Financial Administration	<ul style="list-style-type: none"> <li>• The Council has appointed an officer (the RFO) with responsibility for the administration of the Council's financial affairs (section 151 of the LGA 1972) in accordance with statutory regulations and proper practices.</li> <li>• The Council has Fidelity Guarantee insurance to indemnify against the loss of money or property sustained as a direct result of fraud, theft or dishonesty by an employee in the course of employment.</li> </ul>
Financial Records	<ul style="list-style-type: none"> <li>• The accounting EXCEL software is used.</li> <li>• The EXCEL cash book is reconciled to the bank statements monthly.</li> </ul>
Financial Reporting and Payments	<ul style="list-style-type: none"> <li>• A schedule of payments is submitted monthly to Council for approval.</li> <li>• A schedule of actual spending against budget is submitted monthly to Council.</li> <li>• A bank reconciliation is submitted monthly to Council.</li> <li>• All expenditure must be authorised by a Resolution of the Council and recorded in the Minutes.</li> <li>• All expenditure must be supported by an invoice or voucher.</li> <li>• All cheques/BACS payments must be signed by two authorised signatories. They must ensure that cheques and BACS agree to the invoices presented for payment. Invoices and cheque stubs must be signed/initialed.</li> <li>• The cheque book is kept in the clerk's office.</li> </ul>
Income	<ul style="list-style-type: none"> <li>• Adequate controls are in place for the handling of large sums of cash.</li> <li>• Receipts are issued for income received.</li> <li>• Cash/cheques are banked promptly.</li> <li>• Cash is banked intact.</li> <li>• Income is recorded in the cash book on the day of receipt.</li> <li>• The RFO ensures that the Precept received is in accordance with the Precept request.</li> </ul>
Petty Cash	<ul style="list-style-type: none"> <li>• Payments must be supported by invoice/voucher and properly recorded.</li> <li>• Petty cash must be reconciled monthly.</li> </ul>
Payroll	<ul style="list-style-type: none"> <li>• The Payroll is outsourced</li> <li>• The RFO ensures that PAYE/NIC is paid on time.</li> <li>• Cheque signatories must review the accuracy of salary payments monthly. Salaries are paid by Cheque and reported to the Council as made.</li> <li>• The Council meets its obligations under employment and pension legislation.</li> </ul>
VAT	<ul style="list-style-type: none"> <li>• The RFO ensures that all invoices are addressed to Steeple Parish Council.</li> <li>• VAT is properly accounted for and VAT returns are submitted quarterly.</li> <li>• The RFO ensures that VAT which can be reclaimed in relation to exempt business activities does not exceed £7,500 in a financial year.</li> </ul>
Effective Management of Assets	<ul style="list-style-type: none"> <li>• The Clerk will make arrangements for the custody of title deeds and land registry certificates.</li> <li>• The RFO is responsible for maintaining the asset register which will be reviewed annually.</li> <li>• All land is registered with the Land Registry.</li> <li>• Assets are inspected regularly and maintained to ensure they remain 'fit for purpose'.</li> <li>• Annual review of all risks.</li> <li>• Adequate insurance is provided.</li> </ul>
Legal Powers	<ul style="list-style-type: none"> <li>• A legal power is identified for every decision and payment to prevent ultra vires actions.</li> </ul>
Payments Made Under Section 137 of the LGA 1972	<ul style="list-style-type: none"> <li>• The Minutes record the approval of all s.137 payments.</li> <li>• A separate record of s.137 payments is kept.</li> <li>• The RFO ensures that the maximum annual amount of s.137 expenditure is not exceeded.</li> </ul>
Procurement Process	<ul style="list-style-type: none"> <li>• All orders/tenders must be in accordance with the Council's financial regulations.</li> <li>• The procurement exercise meets the requirements of section 135 of the LGA 1972 and the Public Contracts Regulations 2015.</li> <li>• Council meets the statutory requirement to advertise all contracts over £25,000 on the contract finder website.</li> </ul>
Audit	<ul style="list-style-type: none"> <li>• The Council is required to i) prepare Accounting Statements for the year ended 31 March; ii) approve and publish the Annual Governance and Accountability Return (AGAR), including the Accounting Statements; iii) provide for the exercise of public rights and iv) publish the AGAR, including the signed external auditor's report.</li> <li>• The RFO meets all statutory requirements and deadlines.</li> <li>• A review of internal controls is part of the annual audit processes.</li> <li>• The Council appoints an independent internal auditor to review the adequacy of its controls.</li> <li>• Recommendations of the internal auditor are implemented.</li> </ul>
Budget and Precept	<ul style="list-style-type: none"> <li>• Councillors are involved at an early stage with informal meetings to discuss the Council's spending requirements to deliver services and undertake projects.</li> <li>• The budget is monitored throughout the year to ensure the effective and efficient use of the Council's resources.</li> <li>• The adequacy of Reserves is reviewed annually.</li> <li>• The Precept request is submitted by the deadline set by Maldon District Council.</li> </ul>