

COLNEY HEATH PARISH COUNCIL

✉ **Postal Address:** Highfield Park Visitor Centre, Hill End Lane AL4 0RA
 ☎ **Telephone:** (01727) 825 314
 💻 **Website:** <https://colneyheathparishcouncil.gov.uk>
 ✉ **E-mail:** clerk@colneyheathparishcouncil.gov.uk



Review Effectiveness of Internal Controls

Internal Control	Suggested Testing	Yes	No	Parish Council Comment
Standing Orders & Financial Regulations	Has the Parish Council formally adopted Standing Orders and Financial Regulations?	✓		For readoption 18 May 2023
Payment Controls and Book keeping	1) RFO appointed since August 2016 2) Have items or services been competitively purchased 3) Is the cashbook maintained and up to date? 4) Is a bank reconciliation carried out regularly? 5) Are payments in cashbook supported by an invoice authorised in accordance with a minute resolution or delegated authority within a Scheme of Delegation? 6) Has VAT on payments been identified, recorded, and reclaimed? 7) Is S137 expenditure appropriately recorded and within statutory limits? If the Council has declared general Power of Competence, this is not a requirement.	✓ ✓ ✓ ✓ ✓ ✓ ✓		Cash book updated monthly Bank rec run monthly All payments supported by paperwork and referenced in minutes or delegated authority VAT claimed quarterly using Making Tax Digital via Rialtas S137 payments are listed in a separate journal
Receipts /Income Controls and Petty Cash	1) Is income properly recorded and banked? 2) Does the precept, approved agree to the Council Tax authority's notification?	✓ ✓ ✓		All cash/cheque income is banked within 24 hours Precept received and correct Petty cash not used since 2016

Draft prepared for review 18th May 2023
 For review May 2024

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Internal Control	Suggested Testing	Yes	No	Parish Council Comment
Debt Collection	Does the Council have in place a debt monitoring arrangement for the collection of sums of money owed to them for allotments and other council activities, for example room, hall, or open space hire?	✓		Invoices issued are regularly chased and always promptly paid. Council is continuing with their review of all assets, open spaces as recommended
Employment/Payroll Controls	1) Do all employees have contracts of employment with clear terms and conditions? 2) Do salaries paid agree with those approved by Council? 3) Are other payments to employees reasonable and approved by the Council? 4) Have PAYE/NIC been properly and operated by the Council as an employer?	✓ ✓ ✓ ✓		All staff have signed contracts of employment Salaries calculated by outsourced payroll company and confirmed annually by RFO with HR Committee as delegated by Council All staff expenses are Council approved PAYE/NIC calculated by outsourced payroll company and paid directly by BACS
Asset Controls	1) Does the Council maintain an asset register of all material owned or in its care? 2) Are the assets and investment registers up to date? 3) Do asset insurance valuations agree with those in the asset register?	✓ ✓ ✓		The Council has a confirmed asset register The Council maintains an asset register which was reviewed April 2023 All asset register values agree with the current insurance schedule.

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Internal Control	Suggested Testing	Yes	No	Parish Council Comment
Risk Management Arrangements	1) Do the minutes record the council carrying out an annual corporate risk assessment? 2) Is the insurance cover appropriate and adequate, including the arrangement for Fidelity guarantee?	✓ ✓		The annual financial corporate risk assessment will be reviewed by Council in May 2023. Insurance cover runs from November annually and the fidelity guarantee remains in place.
Bank Accounts	Is the bank mandate up to date and have a list of authorised signatories been approved by Council	✓		Mandates for Unity bank will be corrected when new signatories are approved by Council in May 2023.
Budget and Financial Statement	1) Has the Council prepared an annual budget in support of its Precept? 2) Is actual expenditure against the budget regularly reported to the Council? 3) Are there any significant unexplained variances from budget?	✓ ✓ ✓		Council prepared and agreed budget in advance of Precept decision. Budget is reviewed by Council by quarterly budget reports taken from the Rialtas accounting system. Monthly reports are held by the RFO should these be required. All variances are shown on reports and explained when questioned.
Year End Controls	1) Are year-end accounts prepared on the correct accounting basis (Receipts and Payments or Income and Expenditure) by the RFO? 2) Internal audit completed and action plan presented for review?	✓ ✓		All accounts were closed correctly in conjunction with Rialtas accounting package Internal audit report presented to Council 18/05/2023 – action plan also included.

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	3) Deadline for Annual Governance Annual Return met?	✓		Annual Governance Return to be signed at 18/05/2023 meeting and submitted by 03/07/2023
	4) Notification of the dates for period of Public Rights advised to Council and advertised to electorate?	✓		Dates for Public Rights period will commence Monday 19 th June 2023 and end on Friday 28 th July 2023

This review of the effectiveness of internal controls (underpinned by the internal controls checklist above) was carried out by:

A handwritten signature in black ink, appearing to read 'Lisa Peters'.

Lisa Peters LCGI PSLCC CiLCA CPFA
Clerk/RFO
On behalf of Colney Heath Parish Council
10th May 2023

Presented, review and approved by Council resolution 18th May 2023 minute reference: 23/24-9b