

Wacton Parish Council

Internal Control

The Internal Control Officer will:

- Reassure himself/herself that the risk of fraud being committed has been adequately covered in the Risk Assessment.
- Review the accounting and internal control systems noting that their establishment and alteration is the responsibility of the Council.
- Carry out test checking of the books, accounts and vouchers as required. The Internal Control Officer will have the right to access the books, accounts and vouchers of the Council at all reasonable times.
 - Check the books of account have been properly kept throughout the year.
 - Check a sample of payments to ensure that the Council's Financial Regulations have been met, payments are supported by invoices, expenditure is approved and VAT is correctly accounted for.
 - Verify that the annual precept request is the result of a proper budgetary process, that budget process has been regularly monitored and that the Council's reserves are appropriate.
 - Check income records ensuring that the correct price has been charged, income has been received, recorded and promptly banked, and VAT is correctly accounted for.
 - Review expense records to ensure that payments are supported by receipts, expenditure is approved and VAT is correctly accounted for.
 - Check salaries to employees have been paid in accordance with Council approvals and that Income Tax requirements have been applied.
 - Check accuracy of asset and investment registers.
 - Test accuracy and timeliness of periodic and year end bank account reconciliation.
 - Test accuracy and completeness of year-end financial statements.
 - Any other appropriate additional relevant testing to support the validity and integrity of the above.
- Report, in writing, to Council at least twice each year on the results of such tests of the systems that are carried out.

Attached is a check list which Councillors need to consider to confirm that the procedures are in place and to consider any improvements in the process for the coming year.

Internal Control Check		Date:
1		Appropriate books of account properly kept throughout the year?
2	a	Appointed responsible financial officer with duties listed in Financial Regs or elsewhere?
	b	Financial Regulations in place & regularly reviewed?
	c	Standing Orders in place & regularly reviewed?
	d	Delegated Powers on expenditure in place & adhered to?
	e	Payments supported by invoices?
	f	Expenditure properly approved?
	g	VAT accounting in order?
3	a	Insurance in order and the correct cover held?
	b	ICO undertakes internal control checks at least twice a year and reports back to council?
	c	Initialled cheque stubs?
	d	Regular internal audit?
	e	Minute showing appointment of internal auditor?
	f	Council budgeted in a clear and adequate way?
4	a	Clerk or RFO report to council regularly to give progress reports on expenditure verses budget?
	b	Adequate checks on Clerk's Expenses?
	c	Payments properly supported by receipts?
	d	Clear minute and contract which details employees' pay and conditions.
	e	Employee paid by/to those decisions?
	f	PAYE and NI payments been made (if required) or written contact been made with the Inland Revenue giving details of taxable income?
5	a	Asset & investment register up to date?
	b	Checked/modified at least yearly e.g. at annual council meeting?
6	a	Cash book up to date and bank accounts reconciled at least once per quarter?
	b	Supported by an adequate audit trail?
7	a	A record of debtors and creditors?
	b	Clear separate list of S137 payments?
8	a	Year-end accounts clear and accurate?
	b	All account balances shown?
	d	Data Protection Registration held & current/appropriate?
	e	Electronic data backup arrangements adequate?
9	a	Transparency code: are minutes, agendas and financial statements posted to the Council website?