

16 September 2008 (amended 29.06.2010)

ALLINGTON PARISH COUNCIL

FINANCIAL REGULATION STANDING ORDERS

Introduction.

The day to day management of the financial affairs of the Parish Council is the responsibility of the Parish Clerk (who may be designated the Responsible Financial Officer by the Parish Council - though they may elect for a Councillor to have this role); as directed by the Parish Council, District Auditor and Government Statute.

Financial Records.

- All Receipts and Payments will be recorded in the Receipts and Payments (R & P) Book or Spreadsheet and in the Minutes of the meeting at which they were agreed.
- Other financial matters - quotations, all audit details, estimates, Section 137 payments, salary details, PAYE, dates of when checks were conducted, etc., will be recorded in the Minutes when they occur.
- All Councillors are required to keep a receipt of their expenses – which will be reimbursed by Cheque and Minuted at that meeting.
- The Parish Clerk's detailed expenses; travel, post, telephone, and sundries will be recorded in the R & P Book or Spreadsheet and in the Minutes of the meeting at which they were agreed.
- Annually a Minute will be made specifying the Clerk's salary. This is to be automatically linked to the NALC published pay scales for Part time Clerks (LC1 Spinal Column point 15) for that financial year and any review/increment backdated to the award date.
- Minutes specifying the date of Audit, the date when it is certified complete, and all comments received from the Auditor will be recorded

Staff, PAYE and Allowances.

- The Chairman is to be allocated an annual Allowance of £50.00 for items that do not fall into regular headings or come under S137, (e.g. provision of refreshments at the Annual Parish Meeting, funeral wreaths on behalf of PC for deceased ex members or parishioners of note etc).
- The total expenditure under the Chairman's allowance scheme is to be noted and minuted in the final accounts for that year but does not have to be detailed or explained provided the Chairman has provided receipts in respect of all payments.
- PAYE or self-employed scheme will be used for all employees of the Parish Council.
- The Clerk will keep complete records and send in returns and payments to HMRC as required by HMRC.
- Members of staff will be paid by Standing Order or Cheque at an agreed time each month.

VAT

- A VAT receipt should be obtained for all purchases made by or on behalf of the Council attracting VAT.
- The monthly statement to parish councillors must show prices less VAT and a separate entry for VAT.
- The Parish Clerk will record all VAT transactions in the R & P Book/Spreadsheet and will reclaim a refund of VAT Quarterly.

Audit

- At every meeting detailed accounts will be presented ensuring the R & P book or Spreadsheet agrees with the bank balance. This will be minuted a copy held with the Minutes of that meeting and the relevant pages signed by the Chairman and Clerk
- At the end of the financial year a full statement of Accounts will be prepared for the Annual Meeting to be held in April/May and subsequently Internal and External Audit.
- The Register of Assets, the Statement of Receipts and Expenditure and the Supporting Statement and Notice of Audit will be prepared and published as required.
- The Council will appoint an independent auditor to audit the accounts prior to external audit.
- The Internal auditor can submit an invoice in respect of reasonable fees incurred in undertaking the Audit.
- The Council can record a vote of thanks with an appropriate gift of a suitable amount under S 137 if no invoice for fees is submitted by the Internal Auditor.
- The Parish Council must approve the statement of Accounts and Asset Register figures before the date set by the Audit Commission and these will have been submitted for approval to the Annual Parish Meeting in April/May.
- When requested these documents plus all those others required by the Auditor will be submitted to him after being properly advertised. The clerk will collect the documents after audit and present the Memorandum of Audit at the subsequent meeting of the parish council which will be minuted and reported to the Auditor on the Memorandum of Matters Arising, and advertise the conclusion of the audit as directed by the Auditor.

Financial Procedures for the Monthly Meetings of the Parish Council.

- The Clerk will bank all receipts as soon as possible after receiving them and will recover any loans, grants, etc., from the District Council or other body making them.
- Regular bank statements will be obtained to the end of each month in time for each meeting.
- Whenever possible non routine payments will always be notified in advance, in the Agenda of the next meeting.
- No payments maybe authorised under Any Other Business. Financial business may be raised then, but the payment will be held over until the next meeting.
- Cheques should only be issued between meetings if there is no other option.
- A monthly account will be prepared for all councillors that will show.
 - Balance brought forward from previous meeting
 - Transactions agreed at previous meeting
 - Transactions between meetings - Receipts and DD payments.
 - Transactions to be arranged at that meeting. Payments, Transfers, etc.
 - Unpaid cheques
 - Totals held at Bank.
 - The amount available under the Developers Contributions Scheme (R2 Scheme), of the balance available, the first date of expiry and the amount due to expire on that date.

Payments

- No payments or reimbursements by cheque or under the Petty Cash scheme are to be made without an invoice or signed receipt
- The payment of Invoices will be made in a timely and accurate manner.
- All payments authorised by the Council are to be entered in the Receipts and Payments Book/ or payments spreadsheet (whichever is used) together with the date of the meeting when the payment was authorised.
- Each payment is to be allocated a consecutive voucher number that is to be marked on the original invoice/voucher together with payment date and cheque number
- Voucher numbers are to be reset to start at number 1 of each financial year.

Banking arrangements

- Designated members of the Council are to be signatories on
 - Lloyds TSB account (current)

If a Member ceases to be a councillor the Clerk is to inform the Banks as soon as possible to remove the departing Member's name as signatory from the account.

- Register for, and make use of Electronic Banking wherever it is an option.
- The Clerk will prepare cheques in advance for signature at the Parish Council meeting.
- Signatories Lloyds TSB (2 per cheque).
- Signatories who will also initial the cheque stub.
- Any spoilt Cheques will be cancelled and stapled back to their cheque stub.

Quotations.

- Where a contract is entered into by the Council, or work is undertaken for the Council, or a purchase made by the Council for goods or services under a single transaction with a total value in excess of £500.00, at least three written quotations will be obtained and considered before a choice of supplier is made.

Budget Setting process (Parish Precept)

- The Council is required by the District Council/Unitary Authority to set a budget and this is usually notified to the District Council/Unitary Authority in January of the year in readiness for the new financial year that commences in April.
- A review of the current budget and expectations of forthcoming expenses is to be undertaken in November the preceding year.
- The Clerk is to bring summaries of the costs to date under each heading to the budget review meeting
- £1,000 is to be retained from precept each year for replacement of Parish Assets

Financial Records will be kept for a minimum of ten years.

- Records can be kept in paper format and stored securely. All documents are to be securely shredded upon disposal.
- If records are stored in an electronic format on a computer or computer disc belonging to the Clerk or member of the Council a copy/ back up of these records should be made and stored on CD ROM, USB memory stick etc.