

Financial Guidelines for Cheersley Parish Council

Introduction

These guidelines cover four main areas:

- Maintenance of records
- Reporting
- Oversight and Control
- Timeline

Maintenance of records

The accounting year for the Council runs from 1 April to 31 March.

It is the responsibility of the Responsible Financial Officer to maintain timely and accurate records of all income, expenditure and assets of the Parish Council, and to ensure that these records are supported by the appropriate documentation.

This includes maintenance of income and expenditure records, bank account information, and the preparation of regular financial reports. Except in very specific circumstances, (for example, the payment of monthly salaries by standing order), expenditure should only be made against agreed purchase orders or invoices approved by the council. These should be noted, by the Clerk to the Council, in the minutes of the appropriate meeting.

Wherever possible, payment should be made by bank transfer. This increases control. Where necessary, cheque payments should be made on the authorisation of two signatories.

Reporting

A Financial Report should be available for each Parish Council Meeting. (As such, it will then appear in the published minutes of the meeting). This gives information on income, expenditure and available cash, together with any other items which need to be brought to the attention of the Council.

Quarterly, a more detailed analysis of expenditure is to be presented, (again, to be included with the minutes of the meeting), mapping progress against the agreed budget, with comment on any significant variances, and also, where appropriate, the likely out-turn for the year.

Whenever possible, the Responsible Financial Officer will be available at the Parish Council Meetings to present his report and deal with any questions arising.

Oversight and control

The accounting records are available for inspection to any councillor, or designated official of the council, at reasonable notice.

At the end of the year, the accounting records are subjected to an audit. This audit is designed to ensure that:

- Proper accounting records have been maintained throughout the year;
- Accounting entries are supported by third party documentation;
- Appropriate reports have been submitted to the Council;
- All necessary controls, (eg bank account reconciliations,) were in place during the period of review;
- The summarised Income and Expenditure Accounts are true and fair.

Following this audit, deemed an 'Internal Audit', a separate audit takes place, carried out by Government appointed auditors. The purpose of this audit is directed more to the question of whether the council meets its duty of reporting to the public.

The results of both of these reviews are made public alongside the publication of the Council's Income and expenditure statements.

Timeline

Monthly, (or as often as the council meets) – Financial Report

Quarterly, (ie July, October, January, April) – detailed analysis of progress against budget

December meeting – agreement of budget, leading to the precept request.

April – Internal Audit of accounting records

April – agreement of accounts and submission of accounts to Government Auditors

May onwards- audit by the Government Auditors

???? – results of this review.

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