

Great Lumley Parish Council - Financial Control Guidelines

GENERAL

These guidelines are to supplement the provisions of the Councils Financial Regulations. The guidelines will promote good practice and be reviewed annually to address any deficiencies outlined in the independent Auditors Report or changes to accepted practice or legislation.

BANK RECONCILIATION

A Bank reconciliation will be carried out at the end of each month and presented to the next available meeting of the Council. The Clerk will sign the reconciliation as a true record and the Chair will sign both the reconciliation and the bank statement(s) to show that the reconciliation has taken place and that it is correct. Signed copies to be held in the Audit and Finance File ready for internal and external auditing.

PAYMENTS

All payments drawn on the Councils account by cheque will have an appropriate payment voucher or invoice, and be certified as correct by both the Clerk and by each of those signatories authorising the cheque to ensure the work or service has been provided and that the amounts correspond with the invoice. Payments made via online banking: The Clerk certifies the invoice/receipt as correct, they are placed on the bank account and are emailed by the Clerk to the signatories on the bank account, they then authorised for payment by 2 signatories.

In the case of salary payments, a fully broken-down pay advice showing, hours, hourly rate and any deductions should be substituted for the invoice

In the case of expenses payments, a full broken-down schedule of expenses will be provided including receipts where appropriate and should be substituted for the invoice

Cheques shall be drafted by the Clerk and pinned to the voucher(s) it refers to so that both the cheque and the voucher can be signed simultaneously.

The amount of all payments will be reported to the Council and recorded in the minutes.

PAYMENTS BY DIRECT DEBIT

All payments drawn on the Councils account via Direct Debit will have an appropriate payment voucher or invoice and be certified as correct by the Clerk and by two authorised bank account signatories to ensure the work or service has been provided and that the amount corresponds with the invoice and previous quotations if appropriate. The date and direct debit date shall be recorded on the invoice to allow cross referencing.

RECLAIM OF VAT

A log of all reclaimable expenditure items which are subject to VAT will be kept by the Clerk and a claim will be made at least once in every financial year

RECORDS

The Clerk will keep all appropriate and up to date records and monitor the bank account to ensure the account is always in credit and no charges are incurred

BUDGET POSITION STATEMENT

The Clerk will produce a "Budget Position" statement for presentation at Council Meetings to ensure that budgets are not inadvertently overspent and aid Councillors in financial decision making.