

Internal Controls Checklist

A. Payments	Yes	No	Comment
<p>1. Original bank statement cross referenced to entries in the spreadsheet/ accounts system and supporting documents.</p> <p><i>List below by statement number and bank account.</i></p>	Yes		<p>Two statements chosen at random and checked, those for December 2022 and March 2023.</p> <p>December 2022: three items on statement, all matched to Accounts spreadsheet, of which two payments and one receipt.</p> <ul style="list-style-type: none"> ➤ Clerk’s expenses payment matched to signed expenses claim ➤ Lunch Club grant: nothing printed and initialled to support payment, just Council minute ➤ Joint Committee receipt matched to invoice sent to relevant parish council. <p>March 2023: eight items on statement, all matched to Accounts spreadsheet, of which three payments and five receipts.</p> <ul style="list-style-type: none"> ➤ Charlie Hopkins and Alan James payments matched to emails forwarding invoices from Chairman of Joint Committee but noted that paper copy of Alan James invoice initialled by signatories has incorrect total for one invoice although this error does not appear on copy of the invoice attached to email ➤ HMRC payment matched to Q4 salary paperwork ➤ Joint Committee receipts all matched to emails sending invoices to relevant parish councils, but no paying in slip or other paperwork for receipt paid in at Reading branch of Barclays ➤ OxonCC receipt matched to email from OxonCC.
<p>2. Invoices seen and correct.</p>		No	<p>Not current practice for Clerk/RFO to initial invoices before or after presenting them to cheque signatories.</p>

Invoices should be signed by signatories and initialled by RFO			All three March 2023 Joint Committee invoices had been initialled by signatories.
3. Bank accounts reconciled monthly and cross referenced to a minimum number of entries in the payments schedule	Yes		Records show Clerk/RFO reconciled bank accounts every time he received statement, usually on same day, and recorded in column O of Accounts spreadsheet every payment that appeared on statement. This was checked for December 2022 statement.
4. List of electronic payments authorised and signed by approver	Yes		Council made five electronic payments in 2022-23. These were not internet banking but Faster Payments carried out at Barclays branch, of which four were quarterly payments to HMRC. Electronic and/or paper copies of payment instructions were on file in all cases and all were signed by two signatories, as was supporting paperwork in every case.
5. All cheque payments authorised by two signatories and stubs initialled	Yes		Stubs checked for four cheques: three that appeared on December 2022 bank statement and one that appeared on March 2023 bank statement. All had been initialled by two cheque signatories.
6. Direct Debit payments agree with authorised list		No	Council approved one variable direct debit agreement at 2022 Annual Meeting, but in fact three were in force: one for monthly payment and two for annual payments, one of which Clerk/RFO had forgotten. Nine direct debit payments were made in 2022-23, of which seven were payments to TalkTalk Business for broadband at Village Hall, a service Council thought it had cancelled before end of 2021-22.

B. Salaries	Yes	No	Comment
1. PAYE & NIC paid on time	Yes		Council only required to pay HMRC quarterly as small employer. Quarterly payments are shown on bank statements as having been made on 30 th June, 14 th October, 19 th January and 31 st March – all before deadline for quarter concerned.
2. PAYE & NIC payments agree to payroll and agree to bank statement	Yes		All four quarterly HMRC payments were checked and did agree.
C. Budget Control	Yes	No	Comment
1. All payments entered into the cashbook/system accurately	Yes		All seven payments checked had been recorded accurately.
2. Payment schedule presented at Parish Council Meeting			Clerk/RFO lists payments for approval on the published agendas of Council meetings where usually approved and signed individually. On no occasion in 2022-23 did Clerk/RFO put a schedule to Council for approval by means of single vote.
3. All payments within budget		No	The 2022-23 management accounts show three budgets were overspent: a) £3,500 Staff Costs budget was overspent by £20.53. This happened because Clerk/RFO underestimated number of hours for which he would need to be paid in Q4 when he recommended to Council that it increase Staff Costs budget from £3,000 to £3,500. Chair and Cllr Rigault approved the payment under Reg 7.2.

			<p>b) £250 Subscriptions budget was overspent by £26. This happened when Clerk/RFO obtained authorisation for three annual membership subscription payments in March 2023 without having first asked Council to increase this budget.</p> <p>c) £300 Recoverable VAT budget was overspent by £38.83. This happened because Clerk/RFO did not ask Council to increase this budget at either January or March 2023 meetings.</p> <p>Council amended annual budget in at least one respect at all but one of ordinary meetings held in 2022-23.</p>
4. If not, approval to transfer minuted		No	As described above, Council did amend budget at all but one of ordinary meetings in 2022-23 but, nonetheless, in three instances this did not prevent budget being overspent.
5. Section 137 is accounted for separately			There was no Section 137 payment in 2022-23.
D. VAT	Yes	No	Comment
1. There is a separate VAT column on the accounting spreadsheet/system	Yes		Yes, column M in 2022-23 Accounts spreadsheet.
2. The VAT is reclaimed regularly, quarterly or annually?			<p>Clerk/RFO aspires to claim VAT quarterly, where possible.</p> <p>Claim was made at end of Q1, but no recoverable VAT to reclaim in Q2 or Q3, and in Q4 less than £100.</p>

E. Receipts	Yes	No	Comment
3. Receipts are correctly recorded on account spreadsheet/system List below by receipt number	Yes		All six receipts that were checked had been recorded accurately.
4. Receipts are reconciled against original bank statements	Yes		In same way as payments. Months of December 2022 and March 2023 were chosen at random. All six receipts were matched to Accounts spreadsheet.
5. Receipts to Parish Council minuted	Yes		Receipts were minuted at all five ordinary meetings, but in first three cases minutes merely record approval of written receipts report tabled by Clerk/RFO.
6. A reconciliation of accounts is presented to council regularly Date of last one?	Yes		Clerk/RFO presented reconciliation to every one of Council's five ordinary meetings in 2022-23, last of which was in March 2023.

Review Date: April or May 2024