

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>		No	<p>Cllr Eden first chose October 2024 and February 2025, but when we found there were no transactions at the bank in February, we examined March 2025 as the second "sample" month.</p> <p>October 2024</p> <p>All six payments on the bank statement had been properly minuted.</p> <p>We noticed the Clerk/RFO had not attached the receipt for a stationery purchase to his Q2 expenses claim, which had therefore been paid without full supporting evidence.</p> <p>March 2025</p> <p>We noticed from examining the minutes of meetings that the Council had not authorised the making of one of the six payments (for a replacement electrode tray for the defibrillator) either in advance or retrospectively.</p>
<p>2. Invoices seen and correct.</p> <p>Invoices should be signed by signatories and initialled by RFO</p>		No	<p>Signatories had initialled invoices in every case we examined, but to avoid confusion the Clerk as RFO only initials invoices in his capacity as a signatory – the Clerk/RFO signs payments when there is only one councillor available to authorise them.</p>
<p>3. Bank accounts reconciled monthly and cross referenced to a minimum number of entries in the payments schedule</p>		No	<p>We found that on the day he received each bank statement the Clerk had examined it, updated the Accounts spreadsheet and checked the Council's bank balance.</p> <p>But the Clerk/RFO admitted he has not succeeded in producing a successful bank reconciliation for the Council since a write back of £17.90 he carried out in September of an unrepresented the end of Q2.</p>

4. List of electronic payments authorised and signed by approver	Yes		During 2024-25 the Council made five payments by Faster Payments, of which four were its quarterly PAYE payments to HMRC. All five payment instructions had been signed by two councillors who were authorised signatories.
5. All cheque payments authorised by two signatories and stubs initialled	Yes		We can confirm all cheque payments we examined were authorised by two signatories, who had initialled the cheque stubs as well as the supporting paperwork.
6. Direct Debit payments agree with authorised list	Yes		The Council made two payments by direct debit in 2024-25, both of which agreed with the list of variable direct debit agreements reconfirmed by the Council at its annual meeting [minute ref 24/20].
B. Salaries	Yes	No	Comment
1. PAYE & NIC paid on time		No	The Council is only required to pay HMRC quarterly as a small employer. The Council paid HMRC late at the end of Q1. The Council pays the Clerk/RFO quarterly and it paid him late three times out of four in 2024-25.
2. PAYE & NIC payments agree to payroll and agree to bank statement	Yes		We checked the payments made at the end of Q2.
C. Budget Control	Yes	No	Comment
1. All payments entered the cashbook/system accurately	Yes		We checked all the payments that were either approved in October or March, or appeared on the bank statements for those months.

2. Payment schedule presented at Parish Council Meeting	n/a		In 2024-25 there was no occasion where the Clerk/RFO put a schedule to the Council for approval by means of a single vote. Instead, the Clerk/RFO lists payments for approval on the published agendas of Council meetings where they are then usually approved and signed before the meeting moves on to the next item on the agenda.
3. All payments within budget		No	The Council exceeded the (then) budget of £250 for the website when it approved a payment of £300 at its June meeting. The Council exceeded the budget for subscriptions when it approved payment of a subscription at its reconvened March meeting.
4. If not, approval to transfer minuted		No	The Council failed to do so on the two occasions above out of four when it should have done so. The Council did amend its website budget at its September meeting before approving a further payment of £95 (+VAT). The Council also amended its budget in March before making a payment in respect of the Playing Field and its final payments of staff costs.
5. Section 137 is accounted for separately	n/a		There was no Section 137 payment in 2024-25
D. VAT	Yes	No	Comment
1. There is a separate VAT column on the accounting spreadsheet/ system	Yes		Yes, column M in the 2024-25 Accounts worksheet.

2. The VAT is reclaimed regularly, quarterly or annually?	Yes		The Clerk/RFO aspires to claim VAT quarterly, where possible. The Clerk/RFO submitted a claim at the end of Q1. But HMRC's £100 threshold for claims was not reached until March 2025, so the claim for the rest of 2024-25 was made early in 2025-26.
E. Receipts	Yes	No	Comment
1. Receipts are correctly recorded on account spreadsheet/system List below by receipt number	Yes		We checked all receipts were correctly recorded in the Accounts spreadsheet. We noted there was no paper copy of payment notification from SODC for the 1 st half of the precept in the RFO's records, although there were copies of the notifications for the CIL payment and the 2 nd half of the precept. The Council doesn't assign numbers to receipts.
2. Receipts are reconciled against original bank statements	Yes		We found that on the day he received each bank statement the Clerk/RFO had examined it, updated the Accounts spreadsheet and checked the Council's bank balance. We checked all eight receipts against relevant bank statements; half of them were the quarterly interest payments on the Council's deposit account.
3. Receipts to Parish Council minuted	Yes		We found that seven receipts were minuted: three in the June minutes; one in October; two in November; one in January. The final receipt was the March deposit account interest payment which was received after the Council's March meeting.

4. A reconciliation of accounts is presented to council regularly Date of last one?		No	As noted above, the Clerk/RFO admitted he has not succeeded in producing a successful bank reconciliation for the Council since a write back of £17.90 he carried out in September of an unrepresented the end of Q2.
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Review Date: April or May 2026