



Internal Financial Controls Policy

1 BACKGROUND

The Responsible Financial Officer (RFO) is responsible for ensuring that the Council's day-to-day finances are run properly, but it falls to Council members to exercise a proper and reasonable degree of control over financial matters.

2 THE POLICY

Kingsbury Parish Council carries out the following internal control procedures:

2.1 Monthly:

- The Clerk/RFO forwards a bank reconciliation, showing agreement between the bank balance and cashbook amounts and a summary of the Council's financial status.
- The Clerk/RFO forwards a financial review showing year to date expenditure against budget (Net Position).
- The Clerk/RFO forwards a list of payments due, and receipts received.
- The full Council reviews the documents listed above at every meeting.
- All payments are approved at Council meetings where a quorum of Councillors is present unless an emergency payment is required / regular payment – in which case the Council will follow the procedures in the Council's approved Financial Regulations.
- At least quarterly, the Clerk/RFO will present the bank statements for the previous 3 months for signing by the Chair of the Council.
- Internal Control Officers (currently two Councillors), appointed annually by the Council, will complete internal control checks quarterly as a minimum. Any anomalies will be reported to full Council immediately. (See internal control template at Appendix 1).

2.2 Quarterly:

- 2.2.1 The Clerk/RFO will present at a Finance Committee meeting a budget versus spend document showing where the Council's finances are with regard to the approved budget. This document will be approved by full Council.

2.3 Annually:

- 2.3.1 Chair of Finance and Clerk/RFO work on the next years' budget to present to the Finance Committee in December:

- All anticipated income is received
- Expenditure is broadly in line with budgets
- VAT is reclaimed at least annually.
- The budget / precept request for the following year is in line with anticipated expenditure.
- Any financial anomalies are resolved with the Clerk/RFO.

- Financial Regulations and Risk Assessments are reviewed annually, updated as required and approved by full Council.
- The Council appoints and uses the internal audit (IA) services of a competent and independent auditor, who checks that the Council's internal controls are adequate and working effectively. The Internal Audit is conducted annually as a minimum and the Audit Report forms part of the Annual Return.

2.3.2 At the annual budget review meeting in January, the budget is presented to full Council for acceptance.

2.4 General

- The Council does not keep any cash and has no petty cash.
- The Clerk/Chair of Finance are the main bank account administrators; the clerk keeps the cheque and paying-in books but cannot authorise payments independently.
- Cheques are signed by two Councillors, and the counterfoil is initialled.
- Online payments made by the Clerk as administrator are subject to dual authorisation by two appointed signatories.
- Agendas for meetings are posted in the relevant folder on the website 3 clear days before the meeting, with financial summaries being uploaded within 3 working days following the meeting.

3 REVIEWS

This policy will be reviewed three years from the date of adoption by KPC.

Adopted at the Parish Council Meeting on 25th June 2025 (Minute 522)

Revision Control

Revision	Details of Change
Jun 2025	New

APPENDIX 1 TO KPC-POL-35**Kingsbury Parish Council Internal Control Checklist**

Date:	
Venue:	
Councillors:	

All completed inspections must be handed to the Clerk for filing and retained for a period of 12 months

TASK	SEEN (Y/N)	IF NO, THEN COMMENT REQUIRED	COMPLETED
FINANCIAL			
All Bank Statements Filed			
Bank Reconciliation for current a/c completed for previous month			
Payments up to date			
Receipts up to date			
Date of last VAT refund			

TASK	SEEN (Y/N)	IF NO, THEN COMMENT REQUIRED	COMPLETED
PAYROLL / STAFF			
Monthly Payroll completed			
Payments made online in accordance with terms set			
Tax and NI up to date			

TASK	SEEN (Y/N)	IF NO, THEN COMMENT REQUIRED	COMPLETED
MINUTES			
Minutes signed, dated and filed from previous month			

TASK	SEEN (Y/N)	IF NO, THEN COMMENT REQUIRED	COMPLETED
MISCELLANEOUS			
Website up to date			
Noticeboards up to date			
Financial Risk Assessments up to date			

* If not applicable please put n/a

GENERAL COMMENTS / RECOMMENDATIONS

Audit Completed:

Clerk:	
Date:	