EVENLODE PARISH COUNCIL
FINANCIAL REGULATIONS

These Financial Regulations were adopted by the Council at its Meeting held in September 2015 Agenda item 5 & re-adopted at its meeting on 15-01-2018 at Agenda item 11 and at each subsequent AGM or the first meeting thereafter in each year, as evidenced in the PC Minute Book. This re-confirmation reflects the limited financial activity of this small village and each re-confirmation is considered to be adequate for these purposes

1. General

1.1 These financial regulations govern the conduct of the financial transactions of the Council and may only be amended or varied by resolution of the Council.
1.2 The Responsible Financial Officer (RFO), under the policy direction of the Council, shall be responsible for the proper administration of the Council's affairs.
1.3 The RFO shall be responsible for the production of financial management information.

2. Annual Estimates

2.1 Detailed *estimate*s of all receipts and payments for the forthcoming year shall be prepared each year by the RFO no later than the precept setting meeting in January or December
2.2 The Council shall review the estimates not later than the end of January each year and shall at its meeting in December or January fix the Precept to be levied for the ensuing financial year.
2.4 The annual precept shall form the basis of financial control for the ensuing year.
2.5 The Council, <u>IF, & only if it so resolves</u>, shall prepare and have regard to a three-year forecast of Revenue and Capital Receipts and Payments which shall be prepared at the same time as the annual Budget or Estimates.

3. Budgetary Control

3.1 Expenditure on estimated revenue items may be incurred up to the amounts included in the approved budget.
3.2 Expenditure may be incurred which will exceed the amount provided for in the estimated revenue budget if the authority to pay is given by at least two Councillors.
3.3 The RFO shall provide the Council a bank reconciliation **or** statement identifying receipts and payments to date at each PC meeting.
3.5 No expenditure shall be incurred in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the Council is satisfied that the necessary funds are available.
3.6 Any capital works shall be administered in accordance with the Council's standing orders and financial regulations relating to contracts.

4. Accounting And Audit

4.1 All accounting procedures and financial records of the Council shall be determined by the RFO as required by the Accounts and Audit Regulations currently in force.
4.2 The RFO shall be responsible for completing the annual financial statements of the Council as soon as practicable after the end of the financial year and shall submit them and report thereon to the Council.
4.3 The RFO shall be responsible for completing the Accounts of the Council

contained in the Annual Return (as supplied by the Auditor appointed from
time to time) and for submitting the Annual Return for approval and authorisation by the Council within the timescales set by the Accounts and Audit Regulations 2015 or set by the Auditor.
The RFO may with a resolution of the Parish Council apply to the external auditor for exemption from filing full accounts and only submit a record of income & expenditure for any given year.
4.4 The RFO shall be responsible for ensuring that there is an adequate recording system of internal audit detailing such financial transactions of the PC as have taken place.
4.5 Any officer or member of the Council shall, if the RFO or Internal Auditor requires, make available such documents of the Council which appear to the RFO or Internal Auditor to be necessary for the purpose of the internal audit and shall supply the RFO or Internal Auditor with such information and explanation as the RFO
or Internal Auditor considers necessary for that purpose.
4.6 The Internal Auditor shall carry out the work required by the RFO, with a view to satisfactory completion of the Internal Auditor's Report section of the Annual Return as complied annually by the Auditor. The Internal Auditor, who shall be competent and independent of the operations of the Council, may, and only if required in writing following resolution of the PC, report to Council in writing with one annual report in respect of each financial year.
4.7 The RFO shall make arrangements for the opportunity for inspection of
the accounts, books, and vouchers required by the Accounts and Audit Regulations 2015
4.8 The RFO shall, as soon as practicable, bring to the attention of all
councillors any correspondence or report from the Internal or External
Auditor, unless the correspondence is of a purely administrative matter.

5. Banking Arrangements And Cheques

5.1 The Council's banking arrangements shall be made by the RFO and approved by the Council. They shall be reviewed for efficiency at least once a year at the AGM or first meeting after the AGM.
5.2 Where a schedule of the payments required requires payment, it shall be authorised by a resolution of the Council and shall be initialled by the Chairman of the Meeting. <u>If more appropriate the detail of payments likely to be required may be shown in the Minutes of the Meeting</u>.
5.3 Any cheques drawn on the bank account shall be signed by two members of Council, to exclude, whilst she simultaneously occupies position of unpaid Clerk & Councillor, Jan Lesser.
5.4 In order to indicate that the details shown on the cheque agree with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil.
5.5 The PC's bankers HSBC, like all other banks, since 2021 charge monthly interest on payments in and out of the account. The necessity of having a bank account permits this PC to pay such charges in order to be able to fulfil its accounting requirements.

6. Payment Of Accounts

6.1 Payments may be effected by cheque drawn on the Council's bankers.
Alternatively, payment of accounts submitted may be by BACS with the approval of at least two Councillors and records kept of the authority to pay kept with the invoice and bank statement
6.2 All invoices for payment shall be examined, verified and certified by the RFO who shall satisfy herself that the work, goods or services to which the invoice relates shall have been received, carried out, examined and approved.
6.3 The RFO shall examine invoices in relation to arithmetic accuracy and enter a record of the invoice in a book held for that purpose
6.4 The PC's banking arrangements shall not include any overdraft facility.
6.5 The Council will not maintain any form of cash float. Any cash received must be banked intact.
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7. Payment Of Salaries

7.1 Where any person is employed at a salary, the payment of any such salary shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salaries shall be as agreed by Council. Since 2011 the Clerk, Jan Lesser, fulfils her services without any remuneration

8. Income

8.1 The collection of all sums due to the Council shall be the responsibility of, and under the supervision of, the RFO.
8.2 The origin of each receipt shall be entered on the paying-in slip,or record book held for that purpose, or upon the face of the bank statement.
8.3 Personal cheques shall not be cashed out of money held on behalf of the Council.
8.4 The RFO shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.

9. Properties And Estates

9.1 The Clerk shall keep custody of all or any title deeds of properties owned by the Council. The RFO shall ensure a record is maintained of all items or properties owned by the Council, recording the location, identification, purchase details, & purpose for which held in accordance with the Accounts and Audit Regulations currently in force.
9.2 No property owned by the Council shall be sold, leased or otherwise disposed of without the authority of the Council, together with any other consents required by law,save where the estimated value of any one item of tangible movable property does not exceed £50.
9.3 Any activity relating to properties or estates or land within the civic parish which it would be helpful for the PC to keep as a record of the village shall be noted within the Minutes of PC meetings

10. Insurance

10.1 The RFO shall effect all insurances and negotiate any claims on the Council's insurers.
10.2 The Clerk shall give prompt notification to the RFO of any new risks affecting existing insurances.
10.3 The RFO shall keep a record of any insurances effected by the Council and the property and risks covered thereby and annually review it.
10.4 The RFO shall be notified of any loss liability or damage or of any event likely to lead to a claim, and shall report these to Council at the next available meeting.

11. Risk Management

11.1 The Clerk / RFO shall prepare and promote a risk management policy statement in respect of all activities of the Council.
11.2 When considering any <u>new</u> activity the Clerk and RFO shall prepare a draft Risk Management policy for the activity and shall bring a draft addressing the legal and financial liabilities and Risk Management issues that arise to Council for consideration and, if thought appropriate, adoption.
11.3 The Risk Management policy shall be re-assessed and re-confirmed annually at the PC AGM

12. Revision Of Financial Regulations

12.1 It shall be the duty of the Council to review the Financial Regulations of the Council from time to time as specified in the introductory paragraph to this document.