

COLNEY HEATH PARISH COUNCIL

- ✉ **Postal Address:** Highfield Park Visitor Centre, Hill End Lane AL4 0RA
- ☎ **Telephone:** (01727) 825 314
- 💻 **Website:** <https://colneyheathparishcouncil.gov.uk>
- ✉ **E-mail:** clerk@colneyheathparishcouncil.gov.uk



Review Effectiveness of Internal Controls

Internal Control	Suggested Testing	Yes	No	Parish Council Comment
Standing Orders & Financial Regulations	Has the Parish Council formally adopted Standing Orders and Financial Regulations?	✓		For readoption 16 May 2024
Payment Controls and Book keeping	1) RFO appointed since August 2016 2) Have items or services been competitively purchased 3) Is the cashbook maintained and up to date? 4) Is a bank reconciliation carried out regularly? 5) Are payments in cashbook supported by an invoice authorised in accordance with a minute resolution or delegated authority within a Scheme of Delegation? 6) Has VAT on payments been identified, recorded, and reclaimed? 7) Is S137 expenditure appropriately recorded and within statutory limits? If the Council has declared general Power of Competence, this is not a requirement.	✓ ✓ ✓ ✓ ✓ ✓ ✓		Cash book updated monthly Bank rec run monthly All payments supported by paperwork and referenced in minutes or delegated authority VAT claimed quarterly using Making Tax Digital via Rialtas S137 payments are listed in a separate journal
Receipts /Income Controls and Petty Cash	1) Is income properly recorded and banked? 2) Does the precept, approved agree to the Council Tax authority's notification?	✓ ✓ ✓		All income is banked within 24 hours Precept received and correct Petty cash not used since 2016

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Internal Control	Suggested Testing	Yes	No	Parish Council Comment
Debt Collection	Does the Council have in place a debt monitoring arrangement for the collection of sums of money owed to them for allotments and other council activities, for example room, hall, or open space hire?	✓		Invoices issued are regularly chased and always promptly paid.
Employment/Payroll Controls	1) Do all employees have contracts of employment with clear terms and conditions? 2) Do salaries paid agree with those approved by Council? 3) Are other payments to employees reasonable and approved by the Council? 4) Have PAYE/NIC been properly and operated by the Council as an employer?	✓ ✓ ✓ ✓		All staff have signed contracts of employment Salaries calculated by outsourced payroll company and confirmed annually by RFO with Staffing Committee as delegated by Council All staff expenses are Council approved PAYE/NIC calculated by outsourced payroll company and paid directly by BACS
Asset Controls	1) Does the Council maintain an asset register of all material owned or in its care? 2) Are the assets and investment registers up to date? 3) Do asset insurance valuations agree with those in the asset register?	✓ ✓ ✓		The Council has a confirmed asset register The Council maintains an asset register which was reviewed April 2024 All asset register values agree with the current insurance schedule.
Risk Management Arrangements	1) Do the minutes record the council carrying out an annual corporate risk assessment?	✓		The annual financial and management corporate risk assessment was reviewed by Council in March 2024.

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	2) Is the insurance cover appropriate and adequate, including the arrangement for Fidelity guarantee?	✓		Insurance cover runs from November annually and the fidelity guarantee remains in place.
Bank Accounts	Is the bank mandate up to date and have a list of authorised signatories been approved by Council	✓		Mandates for Unity bank are correct up until May 2024 when and if required new signatories can be added.
Budget and Financial Statement	1) Has the Council prepared an annual budget in support of its Precept?	✓		Council prepared and agreed budget in advance of Precept decision. This decision minuted at the December meeting 14/12/2024 Item 84a
	2) Is actual expenditure against the budget regularly reported to the Council?	✓		Budget is reviewed by Council by quarterly budget reports taken from the Rialtas accounting system. Monthly reports are held by the RFO should these be required.
	3) Are there any significant unexplained variances from budget?	✓		All variances are shown on reports are explained when questioned and responses minuted.
Year End Controls	1) Are year-end accounts prepared on the correct accounting basis (Receipts and Payments or Income and Expenditure) by the RFO?	✓		All accounts were closed correctly in conjunction with Rialtas accounting package on 12 th April 2024.
	2) Internal audit completed and action plan presented for review?	✓		Internal auditor has made contact and audit will be carried out during April &

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	<p>3) Deadline for Annual Governance Annual Return met?</p> <p>4) Notification of the dates for period of Public Rights advised to Council and advertised to electorate?</p>	<p>✓</p> <p>✓</p>		<p>May. When received the report will be presented to Council and minuted.</p> <p>Annual Governance Return to be signed at May or June Council meeting and submitted by Friday 28th June 2023</p> <p>Dates for Public Rights period will be confirmed but are likely to commence in June/July 2024.</p>

This review of the effectiveness of internal controls (underpinned by the internal controls checklist) was carried out by:

Lisa Peters LCGI PSLCC CiLCA CPFA
Clerk/RFO
On behalf of Colney Heath Parish Council
10th April 2024

Presented for resolution to Council 18th April 2024 minute reference: 23/24 137b