North Molton Parish Council

Financial Regulations - 2017-2018

General

1) These financial regulations can only be amended or varied by resolution of North Molton Parish Council (the Council).

2) The Parish Clerk (PC) under the direction of the Council is the Responsible Officer for the proper administration of the financial affairs of the Council.

3) The PC shall be responsible for the production of financial information which the Council will review at least once each year.

Budget and Precept

1) The PC will collate all applications for grants and estimates from committees for expected expenditure for the next financial year not later than November each year. The Council will review and approve, the proposed sums, if appropriate.

2) The PC will produce an estimate of income and expenditure for the next financial year not later than November each year.

3) The Council will review and approve the income and expenditure estimates not later than the end of December each year and shall fix the Precept to be levied for the next financial year.

4) The approved budget shall form the basis for the financial control of the ensuing year.

Budgetary Control

1) Expenditure may be incurred in line with the amounts included in the approved budget.

2) The PC will provide the Council with information comparing the actual expenditure with that planned at the half-year stage and at any other time required.

Audit

1) All accounting and audit procedures shall be conducted in accordance with current legislation.

2) The PC shall be responsible for completing the annual financial statement of the Council as soon as practical after the end of the financial year.

3) The financial situation of the Council shall be audited by someone who is competent and independent of the Council and shall report in writing to the Council the audit findings each financial year.

Banking

1) The arrangements for banking cheques shall be approved by the Council.
2) Three signatories shall be required from a total pool of four member signatories (one of which will be the PC) and approved by the Council, and minuted, to sign cheques/bank transfers on behalf of the Council.

3) The PC shall carry out monthly reconciliation of the Council’s books and its bank accounts and be in a position to report on any discrepancies and the reasons for those discrepancies at any time, if so requested.

Income

1) The PC shall be responsible for the collection of all money due to the Council.

Grants

1) When considering donations to clubs, societies and village facilities, the Council should take into consideration the following criteria:

   a) Will the money benefit the Parish as a whole now or in the future?
   b) How many people will benefit?
   c) What is the financial situation of the applicant?
   d) Why is the grant needed?
   e) What will the money be used for?

All money distributed by the Council in respect of grants, loans or other financial undertakings must be accompanied by a letter, approved by the Council, setting out the amount of money, purpose for which the money is to be used and terms and conditions under which the money is provided. The recipient must provide a receipt for the money and must agree in writing with the terms and conditions stated in the letter.

Payment

1) The PC shall examine all invoices and verify that the work has been done or the service provided in accordance with the Council’s approval.

2) Before authorising bank transfers or any other payment, the Council’s bank signatories shall fully check all of the supporting documentation and satisfy themselves that the correct sum is being paid.

3) The PC and Council members shall be responsible for, as far as reasonably practical, obtaining best value for money at all times, usually by requiring up to three quotations of estimates from approved suppliers. The Council shall not be bound to accept the lowest tender.

4) The PC shall verify the lawful nature of any proposed purchase before the issue of an order.
5) When purchasing on the Council’s behalf, members or the PC shall obtain a VAT receipt or invoice made out to the Council in order that the VAT may be reclaimed, successfully, at a later date.

**Sub-Committee Accounts**

Any Sub-Committee of the Council shall submit its annual financial statement for the year ended 31\textsuperscript{st} March to the PC for approval by the Council.

**Annual Accounts**

The PC shall supply to each Parish Councillor a financial statement, prepared on the appropriate accounting basis, for the year ending 31\textsuperscript{st} March. This statement shall be available before the end of May.

The Statement of Account which is subject to external audit shall be presented to the Council for formal approval before 30\textsuperscript{th} June each year.

**Property**

The PC shall maintain a register of all property owned by the Council.

**Insurance**

The PC shall put in place all required insurances, record all new risks and negotiate all claims with the insurance company.

**Revision of Financial Regulations**

The Council shall review the financial regulations from time to time.