



## **Review of the Financial System used by Freeland Parish Council**

This review was carried out by Victoria Baker and Fay Friend, in January 2024. Various aspects of the financial \*systems used by the Parish Council were examined with particular reference to the following: /

**(1) Sources of funding and how they are received and banked**

Nearly all income is paid into the bank via internet banking using BACS. Income is principally in the form of the precept (paid in two installments) but also includes VAT re-imburements, s106 payments and occasional donations. The receipt of funds by the bank is checked by the Clerk in the following bank statement when received. The Parish Council has only one bank account with Unity Bank.

SHOULD FUNDS EXCEED £80k threshold either an additional account will be opened or the Council will discuss its spending strategy at the next meeting

**(2) Payment of invoices**

Payment of invoices is done by BACS, and are authorised online by two of the Councillors registered with Unity Bank.- All councillors will be on the approval list

**(3) Cash handling**

Donations may occasionally be received in the form of cash and paid direct into the bank and there is no petty cash box. For large donations, where possible all cash received is counted in the presence of the donor to avoid mistakes.

As the bank makes a charge for dealing with any cash transactions, donors will be encouraged to use online banking to transfer any money to the Parish Council wherever possible.

**(4) Payment to employees**

There is only one employee – the Clerk - whose monthly payment is approved at Council meetings, authorised online (along with other approved payments) by two members of the Council and paid online. The pension is with NEST.

**(5) Production of invoices**

The Parish Council's Scribe account creates the invoices to send out to suppliers when appropriate.

**(6) Internal audit systems**

The Clerk produces regular reports to the Parish Council of all receipts and payments under headings and these are reviewed by members of the Council. Additionally, at each Council meeting, a Councillor checks that the funds reported by the Clerk as held in the bank account are in accord with the funds shown in the monthly bank statements.



The Internal Auditor carries out an internal audit annually.

**(7) Backup computer systems**

The Clerk's computer uses an automatic external Google Drive to save all documents.

**(8) Scribe finance software system**

Since 2014, the Clerk has used Scribe software (designed specifically for Parish Councils) to handle the finance. The password for the system are written down in case the Clerk for any reason becomes incapacitated.

**(9) Paying contactors**

We aim to approve, process and pay all invoices at the following monthly meeting (except for August where there isn't a meeting) and commit to paying within 45 days or before.

**(10) Overall Comments**

We find that the system of control of the Parish Council finances is appropriate, highly satisfactory and efficient, and are being carried out in a proper, transparent and rigorous manner.

Victoria Baker  
Fay Friend

January 2024