



Summary

This document sets out the procedures for financial management to ensure good practice, to protect against fraud and enable transparency.

It details internal financial controls in place to put into effect the Financial Regulations as approved by Council.

General Policy

No payment, commitment, reserve movement, investment decision, or procurement activity may be undertaken except **in accordance with the Financial Regulations** and approved budgets.

The Responsible Financial Officer (RFO) is responsible for maintaining accounting records, operating internal controls and reporting financial performance.

All transactions are undertaken on **BACS as the first preference**. These require authorisation by two Councillors on the Finance Committee.

No member shall approve a payment they have initiated; specifically, the RFO shall not act as both creator and approver of a payment.

Direct Debit mandates and standing orders are used for recurrent payments, such as utilities. The mandates are authorised by at least two members of Finance Committee. The RFO is responsible for monitoring spend and assuring that it is within budgeted expenditure.

The **corporate credit card** is used as the last resort option, and only when BACS payment is not accepted or is not practical. These transactions are presented with the minutes.

Approval of credit card transactions is part of the monthly process; the statements are submitted to the chair of Finance Committee for approval.

Transfers Between Council Accounts

The RFO will initiate transfers between accounts as instructed by Council or Finance Committee. He will also transfer funds to or from the General Reserve to the Current Account to ensure that the latter has adequate funds to meet payments (while maximising the funds in the general reserve to accrue more interest).

In all cases, transfers require to be authorised by two members of Finance Committee.

Payroll

1. Staff on “minimum hours” contracts send timesheet to The RFO by 20th of the month.
2. The RFO calculates the monthly gross payments and pension contributions using a spreadsheet.
3. The RFO processes these payments using HMRC Basic Paye tool.
4. The RFO includes the payments for salaries in payment runs, dated 26th or before

Payments to pensions are made for qualifying staff to their agreed fund.

Filing Procedures

On a day-to-day basis the RFO files invoices – or other requirement to pay, and receipts, etc. – in the folder: [To pay](#). Every 2 weeks or so, depending on what needs paying and when, I sort through this folder, and put receipts in the folder: [To be sorted](#).

Periodically (normally every five working days or less) the Finance Administrator to go through the 'To be sorted' file, name each file in accordance with the format below, and then file to the correct place. The Finance Administrator uploads the details of each transaction to the Finance System, as follows:

- Those from 'To be sorted', as above.
- The folders of BACS payments such as [2025-09-26 Payments Approved](#),
- Credit card payments, for which receipts should be in [FY 25-26](#), etc.
- If there are any transactions unable to be uploaded due to insufficient information, these are raised to the RFO/Clerk.

Monthly reporting processes

(Milestones below are for normal operation; subject to change due to annual and public leave)

- The RFO to download Lloyds Card statement, published by 27th of the month, by third working day of the next month.
- The RFO to download UNITY bank statements – for current account and any other account with transactions in the month – by third working day of the month:
 - o For the current account, every month
 - o For reserve account, in any month in which there have been transactions.
- The Finance Administrator to complete the upload of the previous month's data by fifth working day of the month.
- The RFO to submit to Chair of Finance Committee for approval seventh working day of the month:
 - o Credit Card Statement
 - o Bank reconciliations, for all accounts in which there have been transactions.

Budget Monitoring Procedure

The following processes will be completed to the given schedule:

Monthly

- cashbook update
- bank reconciliation

Quarterly, reported to the first Finance Committee meeting following quarter-end, or otherwise by email:

- budget monitoring report.
- bank reconciliation
- reserve balances
- income analysis
- aged debtors (if any)

Annual Schedule of Activities

Month	Activity
April	AGAR preparation begins
May	Internal audit
June	AGAR approval
July	Exercise of public rights
September	Mid-year review
October	Budget assumptions and options
November	
December	Draft budget
January	Precept recommendation
February	Precept submission
March	Year-end preparations

Recommendations

Council is asked **to approve the document**, requesting changes and further information and detail if required.

Richard Maccabee,
Parish Clerk and Responsible Finance Officer
14th September 2026