



Thornbury Town Council

Financial Systems of Internal Control June 2022

Financial process	System process		
Invoice payments	Coded to correct code, authorised for approval to pay by two staff one must be RFO, Clerk or Deputy Clerk	Placed on accounts for payment for authorisation by F&P or Full Council with two Councillor signatories	Authorised for payment by BACS by two staff members (who differ to the person who entered it on the system) one must be RFO, Deputy Clerk or Clerk
Debtors	Review every three months and write/ call debtor	If after six months bring to Council for decision on write off or pursue	
Petty cash	Petty cash is authorised by the Clerk/Deputy Clerk or RFO	Petty cash use is kept as minimal as possible and is operated in line with the Petty Cash policy	Staff should not be using own money to purchase items
Credit card	Only purchases absolutely necessary are made using card. Card is only to be used by Clerk or Deputy Clerk in the Clerk's absence	Amounts should be within delegated approval or advance authorisation from relevant Committee/ full Council	Keep credit card order to enable reconciliation to take place when the purchase is complete.
Financial monitoring	Monthly income and expenditure reports are produced and taken to Finance and General Purpose Committee or Council. Quarterly budget monitoring report is provided by the RFO/Clerk.	RFO/ Clerk highlights any areas of concern for discussion	
Financial reconciliation	Takes place as far as possible on a monthly basis with reports going to the relevant Committee	A named Councillor reviews the reconciliation reports on a quarterly basis, signs the bank statements against the reconciliation report and reports back to Finance & General Purpose Committee.	
Budget setting	The Clerk/RFO produce a draft budget for the following year, taking into account historic data, known cost pressures, business priorities and the Town Council strategy.	The budget is considered by the Finance and General Purpose Committee before presentation to Full Council.	Committees feed requirements into the budget setting process.
Financial risk	The Clerk/ RFO produces a risk register for the Council which includes financial risks.	The RFO may make recommendations to Council on how to reduce financial risks	The Risk Register will be reviewed in line with the Risk Management Policy and procedure. Council may choose to minimise risk with possible options.

Receipting payments	A member of staff will complete a receipt for any payments received, other than BACS. The receipt book has consecutive numbers.	The RFO or Deputy Clerk will reconcile all receipts when preparing the banking and each consecutive numbered receipt will be accounted for and noted on the copy of the bank paying in slip	
Financial Regulations	The Thornbury Town Council Financial Regulations set out detailed arrangements for the financial management of the Town Council.	The Financial Regulations are always adhered to.	
Internal Audit	An Internal Auditor is appointed to audit the Council's activities annually, including a mid-year review.	All Internal audit recommendations are reported to Full Council and action taken accordingly.	
Insurance	Town Council insurance cover is reviewed annually by the Clerk to ensure the cover is adequate. This includes Fidelity Guarantee Insurance.		
Financial authority	The delegations to Committees and Clerks are clearly documented as an appendix 'Scheme of Financial Delegation' to the Financial Regulations. These are supported by Committee Terms of Reference which clearly identify the remit of Committees. The Town Clerk/RFOs job description also specifies scope of their authority.	Delegated decisions (including financial commitment) are reported on the Town Council website in line with relevant transparency legislation.	