



Internal Financial Reviews Policy

1. Introduction

Treverbyn Parish Council is committed to maintaining strong financial governance, transparency, and accountability. This Internal Financial Reviews Policy sets out the framework for regular monitoring, verification and evaluation of the Council's financial activities to ensure compliance with legislation, proper financial management, and effective internal controls.

2. Purpose

The purpose of this policy is to:

- Provide assurance that financial systems and records are accurate and well-maintained
- Ensure that internal controls are effective and proportionate
- Detect and prevent error, fraud, or mismanagement
- Support informed decision-making through timely financial oversight
- Demonstrate compliance with the Accounts and Audit Regulations and best-practice guidance

3. Roles and Responsibilities

3.1 Parish Council

The Council holds overall responsibility for ensuring that internal financial reviews are carried out in accordance with this policy.

3.2 Responsible Financial Officer (RFO)

The RFO is responsible for:

- Maintaining accurate financial records
- Preparing bank reconciliations, financial reports and supporting documentation
- Providing access to all financial information required for review

3.3 Appointed Member for Financial Oversight

The Council will appoint a councillor (not the RFO or anyone involved in day-to-day financial administration) to:

- Conduct monthly bank reconciliation checks
- Undertake quarterly financial reviews
- Verify supporting documentation
- Report findings to the Council
- Raise concerns promptly where irregularities are identified

4. Monthly Bank Reconciliation Review

The appointed Member will:

- Review and sign the monthly bank reconciliation
- Check bank statements against the cashbook
- Confirm that payments and receipts are properly authorised
- Report any discrepancies to the next Council meeting

4.1 Quarterly Financial Review

Every quarter, the appointed Member will review:

- Budget monitoring reports
- Expenditure against cost centres
- Variances and explanations
- Reserves position
- Compliance with financial procedures
- Evidence of internal controls

A brief written summary will be presented to the Council and minuted.

5. Reporting and Record-Keeping

- Monthly and quarterly review findings will be reported to the Council and recorded in the minutes.
- All review documentation will be retained in accordance with the Council's Records Retention Policy.

6. Follow-Up Actions

Where issues or recommendations arise:

- The Council will agree an action plan
- Responsibilities and timescales will be assigned
- Progress will be monitored at subsequent meetings

7. Policy Review

This policy will be reviewed every three years, or sooner if:

- Legislation changes
- The Council's financial procedures change
- Internal reviews identify a need for revision

Adopted by Treverbyn Parish Council on:

Appendix A

Monthly Bank Reconciliation Review Form

Treverbyn Parish Council:

Month / Year: _____

Account(s) Reviewed: _____

Prepared by (RFO): _____

Reviewed by (Appointed Member): _____

1. Bank Reconciliation Summary

Item	Amount (£)
Bank Statement Balance	_____
Cashbook Balance	_____
Difference (should be £0.00)	_____

If a difference exists, provide explanation:

2. Verification Checks

Tick each item once verified:

- Bank statement(s) obtained for the full month
- Cashbook entries match bank statement transactions
- All payments authorised in accordance with Council procedures
- All receipts recorded and supported by documentation
- Unpresented cheques reviewed and still valid
- Outstanding receipts reviewed and reasonable
- Correct VAT treatment applied
- Transfers between accounts verified

- No unusual or unexplained transactions identified

3. Supporting Documentation Reviewed

Tick all that apply:

- Bank statements
- Cashbook / ledger
- Payment authorisation records
- Invoices / receipts
- Payroll records (if applicable)
- VAT records
- Previous month's reconciliation

4. Issues Identified

List any discrepancies, errors, or concerns:

5. Actions Required

Describe any actions needed and who is responsible:

Action Required	Responsible Person	Deadline
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>

6. Reviewer's Statement

I confirm that I have reviewed the monthly bank reconciliation and supporting documentation and that, to the best of my knowledge, the information is accurate and complete.

Reviewer Name: _____

Signature: _____

Date: _____

7. Council Note (Optional)

(To be completed at the next Council meeting)

- Review noted
- Issues raised for discussion
- Actions agreed

Minute reference:

Quarterly Financial Review Form

Treverbyn Parish Council:

Quarter / Year: _____

Reviewed by (Appointed Member): _____

RFO Supporting Officer: _____

1. Financial Summary for the Quarter

Item	Amount (£)
Total Income	_____
Total Expenditure	_____
Net Position (Surplus/Deficit)	_____
Reserves at Quarter End	_____
Earmarked Reserves	_____
General Reserve	_____

Notes:

2. Budget Monitoring Review

2.1 Variance Analysis

Review actual income and expenditure against the approved budget.

Cost Centre / Budget Line	Budget (£)	Actual (£)	Variance (£)	Explanation
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Comments:

6. Issues Identified During the Quarter

List any discrepancies, risks, or concerns:

7. Recommended Actions

Action Required	Responsible Person	Deadline	Completed (Y/N)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

8. Reviewer's Statement

I confirm that I have completed the quarterly financial review and that the information provided is accurate to the best of my knowledge.

Reviewer Name: _____

Signature: _____

Date: _____

9. Council Note (Optional)

(To be completed at the next Council meeting)

- Review noted
- Issues raised for discussion
- Actions agreed

Minute reference: _____