

Laceby Parish Council

Internal Audit Checklist

Name of Council	Laceby	Name of Clerk	Nicola Ashton
No of Councillors	10	Name of RFO (if not Clerk)	
Quorum		Precept	£41,631
Electorate	42000 approx.	Gross budgeted income	£50,000

1. Bookkeeping			
Ledger maintained and up to date?	Yes		All present for checking – no issues
Arithmetic correct?	Yes		Continuing using Scribe (accounting software) so the arithmetic is all taken care of within that
Evidence of Internal Control?	Yes		Signed by the chair and discussed at the Council meeting (minutes seen). Evidence also seen confirming having been emailed to councillors in advance of the meeting, giving adequate time for full checks, reviewing and the opportunity for questions to be raised
VAT evidence, recording and reclaimed?	Yes		Reclaim and submission generated through Scribe software. Reclaimed amount of £1224.07 evidenced going into bank account
Payments supported by invoices, authorised and minuted?	Yes		Full details of payments evidenced. Copies kept separate from the monthly minutes, but they are signed by three councillors and a summary is shown in the monthly minutes
S137 separately recorded and within limits?	Yes		Recorded separately and clearly. Rate for this year is £8.12 giving a maximum of £34,104. The total spent though for the year was £1,010
S137 expenditure of direct benefit to electorate?	Yes		Laceby in Bloom - £410 & £500 Poppy Appeal - £100

2. Due Process			
Standing Orders adopted?	Yes		Evidence seen in the May 2019 council meeting. No changed made to the Standing Orders but not clearly documented in the minutes
Standing Orders reviewed at Annual Meeting?	Yes		Minuted May 2019 council meeting
Financial Regulations adopted?	Yes		Minuted May 2019 council meeting

Financial Regulations tailored to Council?	Yes		Councillor Metcalf given a £1,000 spending limit – requires authorisation still form two other council members without it having to be discussed at the full council meeting
Adequate internal controls for payments?	Yes		Documentation evidenced for all payments being made
List of members interests held?	Yes		Updated in June 2019 and available on the council website. New members interests provided upon joining
Agendas signed, informative and published with 3 clear days' notice?	Yes		Emailed to councillors; posted on website and displayed on the village notice board. This is all done the Tuesday of the week before the meeting
Purchase orders/confirmations raised for all expenditure?	Yes		Proposed expenditure discussed at meetings, two quotes (reduced from three as council found it often too onerous to obtain three) provided and then agreement made s to which one to proceed with. Payment only made upon receipt on invoice and confirmation of work having been carried out satisfactorily
Legal powers identified in minutes and or cashbook?	Yes		Minuted May 2019 meeting
Committee Terms of Reference and reviewed?	Yes		No other committee in situ. Personnel matters discussed as and when required after a normal meeting ends. Allotments association is in place with delegated powers

3. Risk Management

Does scan of minutes reveal any unusual activity?		No	Nothing unusual seen. Chair (or substitute chairing the meeting) has signed the minutes and signed/initialled the individual pages. See "Additional Comments" #5
Annual risk assessment carried out?	Yes		This has all been carried out along with Covid-19 risks being assessed
Insurance cover in place and appropriate?	Yes		Renewed existing policy as this is a specialised policy
Evidence of annual insurance review?	Yes		Quotes obtained for alternative insurers but opted to stay with existing provider as they are specialists and price still competitive
Internal financial controls documented and evidenced?	Yes		Allowances agreed and minuted
Minutes initialled each page and overall signed?	Yes		Checked through all minutes and all paged signed or initialled

Regular reporting of bank balance?	Yes	Evidenced – normally carried out quarterly. Last done Nov 19 due to Covid-19 restrictions
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4. Budget		
Annual budget to support precept?	Yes	Presented at the December 2019 meeting and confirmed at the January 2020 meeting
Has budget been discussed and adopted by Council?	Yes	Minuted January 2020
Any reserves earmarked?	Yes	Spending on War Memorial being covered by the solar farm. However, money set aside for Roads & Paths (£15k) and Community Garden (10k)
Any unexplained variances from budget?	No	None
Precept demand correctly minuted?	Yes	Minuted January 2020

5. Payroll - Clerk		
Contract of employment?	Yes	No changes from last audit
Tax code issued?	Yes	BR tax as clerk has full time job elsewhere
PAYE/NI evidenced?	Yes	PAYE software used
Has Council approved salary paid?	Yes	Paid standard Clerk pay
Any other payments reasonable and approved by Council?	Yes	Authorised for some petty cash expenditure reclaims (no actual petty cash held) and overtime when agreed as being required by the council

6. Payroll - Other		
Contracts of employment?	Yes	All in place- Clerk has found the missing ones from last audit
Does Council have public liability cover?	Yes	Both employer and public liability cover in place
Tax codes used?	Yes	Same as last year – one member on BR tax and the other has 1250L code
Minimum wages paid?	Yes	Paid standard living wage
Pension obligations met?	Yes	Non meeting minimum requirements for joining BUT again they have been offered to join voluntarily
Complaints procedures in place?	Yes	Copy held in HR file

7. Asset Control		
Does Council keep a register of all material assets owned?	Yes	Seen – updated as of March 2020
Is asset register up to date?	Yes	As of March, 2020

Value of individual assets included?	Yes	Yes
Inspected each year and reviewed?	Yes	Evidence seen
Records of deeds, articles etc. kept?	Yes	All copies held – none missing after last years review

8. Cemetery		
Are bookings recorded and handled appropriately?	Yes	Separate register used. This shows bookings, requirements and payments due/received. Back up currently being duplicated (on cloud) for safety reason
Are payments recorded and actioned?	Yes	Minuted
Are regulations complied with including PC's own rules and regulations?	Yes	Seen along with new regulations for Covid-19

9. Allotments		
Are tenancy agreements issued yearly?	Yes	New agreements sorted last year – this year covering letter stated confirmation of agreements would be “assumed” by payment of the rent
Are rents collected appropriately and banked?	Yes	All paid for by either cheques or BACS
Are the PC's own regulations complied with?	Yes	Seen Feb 2020

10. Bank Reconciliations		
IS there a bank rec for each account?	Yes	Evidence seen this is done monthly
Reconciliations carried out at least quarterly?	Yes	Carried out monthly and now all pages being signed or initialled
Any unexplained balancing entries in reconciliation?	Yes	Nothing here to cause concern

11. Year End Procedures		
Year end accounts prepared on correct accounting basis?	Yes	All produced via the Scribe Accounts software. All pages signed/initialled
Bank statements and ledger reconcile?	Yes	Evidence seen
Underlying financial trail from records to presented accounts?	Yes	Evidence seen
Has Council agreed, signed and minuted sections 1 and 2 of the Annual Return?	Yes	Seen

12. Miscellaneous		
Have points raised at last audit been addressed?	Yes	No major points on last audit BUT all issues/suggestions have at least been discussed if not implemented

Has the Council adopted a Code of Conduct after July 2012?	Yes		All in place
Are all electronic files backed up?	Yes		All backed up onto separate PC, USB drive and external hard drive. Done Monthly
IS GDPR being complied with?	Yes		Everything in-line with GDPR rules
Do arrangements for public inspection of Council's records exist?	Yes		Appointments can be made at neutral venue – Covid-19 guidelines also being adhered to for this
Is the Council's gross annual turnover less than £25k (net of VAT) and if so, has it complied with the Smaller Authorities Regulations 2015?	Yes	No	Not Applicable

Any further additional comments/ notes from Auditor:

Very happy with the audit – under current Covid-19 restrictions Clerk made sure everything was available for checking whilst still staying safe

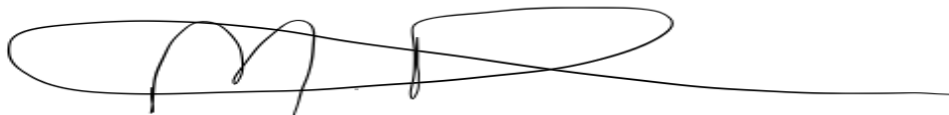
The council seems to be operating very well with the Clerk settling very well into her role.

Pleased to see Covid-19 restrictions in place and being taken seriously

Only suggestion which I would consider discussing again, is the use of cloud based back-up as this can be instantaneous meaning a month's worth of work is safe from being lost.

Internal Audit carried out by: Mark Peterson

Date: 19/06/2020



Signed:

Report sent to Council – signed by the Clerk:

Report received by Council – signed by the Chairman: