

Laceby Parish Council

Internal Audit Checklist

<b>Name of Council</b>	<b>Laceby</b>	<b>Name of Clerk</b>	<b>Nicola Ashton</b>
<b>No of Councillors</b>	<b>10 available 9 serving</b>	<b>Name of RFO (if not Clerk)</b>	
<b>Quorum</b>		<b>Precept</b>	<b>£41,631</b>
<b>Electorate</b>	<b>Approx. 42000</b>	<b>Gross budgeted income</b>	<b>£50,000</b>

<b>1. Bookkeeping</b>			
Ledger maintained and up to date?	Yes		All present for checking – no issues
Arithmetic correct?	Yes		Pleased to see the continuation with Scribe (accounting software) so the arithmetic is all taken care of within that
Evidence of Internal Control?	Yes		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		Seen claim through the books – still awaiting the credit to the bank
Payments supported by invoices, authorised and minuted?	Yes		Full details of payments evidenced. Copies kept separate from the monthly minutes, but they are normally signed by three councillors and a summary is shown in the monthly minutes
S137 separately recorded and within limits?	Yes		One payment to RBL for Poppy Appeal for £100
S137 expenditure of direct benefit to electorate?	Yes		Poppy Appeal – donation made to Laceby RBL

<b>2. Due Process</b>			
Standing Orders adopted?	Yes		No changes to previous Standing Orders. Evidence of discussion at meeting July 2020
Standing Orders reviewed at Annual Meeting?	Yes		Meeting delayed unto July 2020 due to Covid restrictions
Financial Regulations adopted?	Yes		Continuation with full Financial Regulations
Financial Regulations tailored to Council?	Yes		No changes to previous years agreements – again discussed July 2020
Adequate internal controls for payments?	Yes		Documentation evidenced for all payments being made. Process is: Discussed at

			meeting (minuted); proposed for payment; seconded then signed off
List of members interests held?	Yes		New members to provide interests when joining and update if any changes
Agendas signed, informative and published with 3 clear days' notice?	Yes		Emailed to councillors; posted on website and displayed on the village notice board (when permitted). 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 (minimum) provided, discussed and agreement made on how best 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		July 2020
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

<b>3. Risk Management</b>			
Does scan of minutes reveal any unusual activity?		No	Nothing unusual seen.
Annual risk assessment carried out?	Yes		Carried out 1/03/2021. Ongoing Covid risk assessment and adherence to government guidelines
Insurance cover in place and appropriate?	Yes		Discussed and decided best to renew specialist insurance policy
Evidence of annual insurance review?	Yes		Minutes show discussion took place but decided wise to continue with the specialist insurance policy
Internal financial controls documented and evidenced?	Yes		No changes to previous year
Minutes initialled each page and overall signed?	Yes	No	Not always been possible due to virtual meetings
Regular reporting of bank balance?	Yes		Carried out quarterly – all up to date

<b>4. Budget</b>			
Annual budget to support precept?	Yes		In-depth budget presented for discussion
Has budget been discussed and adopted by Council?	Yes		Jan 2020

Any reserves earmarked?	Yes	£10k Gen; £15k cenotaph; £15k sports; £10k allotment & £15k + £19k church wall
Any unexplained variances from budget?	Yes	Solar farm funded the cenotaph work
Precept demand correctly minuted?	Yes	Minuted Jan 2021

<b>5. Payroll - Clerk</b>		
Contract of employment?	Yes	No change to Clerk or contract from last audit
Tax code issued?	Yes	BR code as main employment held elsewhere
PAYE/NI evidenced?	Yes	PAPYE carried out by Smethurst
Has Council approved salary paid?	Yes	Paid standard clerk pay plus agreed annual increments
Any other payments reasonable and approved by Council?	Yes	Mileage paid and small petty cash items. All minuted at meeting before payment made

<b>6. Payroll - Other</b>		
Contracts of employment?	Yes	All in place
Does Council have public liability cover?	Yes	Both employer and public liability cover in place
Tax codes used?	Yes	No changes to staff from last year
Minimum wages paid?	Yes	Paid standard living wage
Pension obligations met?	Yes	No staff meeting minimum qualifying level but have been offered voluntary contributions but they declined
Complaints procedures in place?	Yes	Copy held in HR file

<b>7. Asset Control</b>		
Does Council keep a register of all material assets owned?	Yes	Updated March 2021
Is asset register up to date?	Yes	Last update march 2021
Value of individual assets included?	Yes	Yes
Inspected each year and reviewed?	Yes	Evidenced
Records of deeds, articles etc. kept?	Yes	All copies held

<b>8. Cemetery</b>		
Are bookings recorded and handled appropriately?	Yes	Separate register used. This shows bookings, requirements and payments due/received. Back up still being duplicated (on cloud) for safety reason
Are payments recorded and actioned?	Yes	All discussed and minuted
Are regulations complied with including PC's own rules and regulations?	Yes	Includes Covid regulations too

<b>9. Allotments</b>			
Are tenancy agreements issued yearly?	Yes		New agreements issued – again 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		Feb 2021

<b>10. Bank Reconciliations</b>			
IS there a bank rec for each account?	Yes		Carried out monthly
Reconciliations carried out at least quarterly?	Yes		Statement s sent monthly but full reconciliation carried out quarterly
Any unexplained balancing entries in reconciliation?		No	Nothing to report

<b>11. Year End Procedures</b>			
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		Seen
Underlying financial trail from records to presented accounts?	Yes		Seen
Has Council agreed, signed and minuted sections 1 and 2 of the Annual Return?	Yes		To be signed at meeting on June 1st

<b>12. Miscellaneous</b>			
Have points raised at last audit been addressed?	Yes		Audit discussed but no real recommendations to implement
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 and constant reviews taking place as and when appropriate
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 Councils gross annual turnover less than £25k (net of VAT) and if so, has it complied with the Smaller Authorities Regulations 2015?	Yes	No	N/A
---	-----	----	-----

**Any further additional comments/ notes from Auditor:**

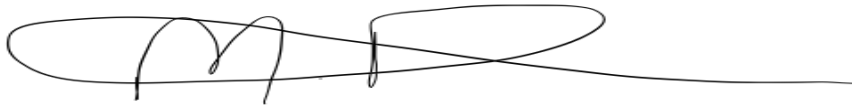
Very happy with the audit – under current Covid-19 restrictions Clerk made sure everything was available for checking whilst still staying safe.

Clerk is continuing well in her role and was prepared for all questions in the audit. Everything organised in an orderly manner.

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: 28/05/2021



Signed:

Report sent to Council – signed by the Clerk:

Report received by Council – signed by the Chairman: