

Laceby Village Council

Internal Audit Checklist 2022

Name of Council	Laceby	Name of Clerk	Nicola Ashton
No of Councillors	10/10 seats taken	Name of RFO (if not Clerk)	
Quorum	4	Precept	£41,631
Electorate	Approx. 4200	Gross budgeted income	£75,530

1. Book Keeping			
Ledger maintained and up to date?	Yes		All present for checking – no issues
Arithmetic correct?	Yes		Still using Scribe (accounting software) so no issues with the arithmetic.
Evidence of Internal Control?	Yes		Process is emailing to councillors; discussed at the meeting and minuted for confirmation of discussion
VAT evidence, recording and reclaimed?	Yes		£5,806 claim made 8 th May 2022
Payments supported by invoices, authorised and minuted?	Yes		Invoices filed with relevant months. Summary document produced giving simple overview. Signed by Chair
S137 separately recorded and within limits?	Yes		Jubilee £637.23; Laceby in Bloom £500; Lincs Lowlands £50
S137 expenditure of direct benefit to electorate?	Yes		All village based

2. Due Process			
Standing Orders adopted?	Yes		No changes
Standing Orders reviewed at Annual Meeting?	Yes		discussed and agreed June 2021
Financial Regulations adopted?	Yes		Continuation with full financial regulations
Financial Regulations tailored to Council?	Yes		No changes needed to existing regulations
Adequate internal controls for payments?	Yes		Documentation provided for all payments. The control process is to discuss; propose payment then signed off and payment made
List of members interests held?	Yes		List updated 3 rd May for existing councillors and new councillors generate list on inception

Agendas signed, informative and published with 3 clear days' notice?	Yes		Displayed on notice board (have been some issues with this but that's been outside of the council's control), listed on website and emailed to councillors
Purchase orders/confirmations raised for all expenditure?	Yes		Proposed expenditure discussed at meeting, two quotes provided (where possible) then discussed and agreed at meeting. Before payment made must have receipt of invoice and an inspection of the works needs to have been carried out. Due to substantial work being carried out on the playground some pre-authorisation has been given
Legal powers identified in minutes and or cashbook?	Yes		Agreed and minuted July 2021
Committee Terms of Reference and reviewed?	Yes		A jubilee committee was established but as jubilee is imminent that will shortly cease. Personnel committee only other one in force

3. Risk Management			
Does scan of minutes reveal any unusual activity?		No	Nothing unusual seen
Annual risk assessment carried out?	Yes		Year-end assessment carried out 01/02/2022. Covid rules have been relaxed where reasonable
Insurance cover in place and appropriate?	Yes		Policy has been updated where required
Evidence of annual insurance review?	Yes		Reviewed at meeting, slightly cheaper policy found with another provider but opted to remain with existing provider as happy with cover and service given
Internal financial controls documented and evidenced?	Yes		Financial controls reviewed annually, multi-authorisation needed, and a printout of the payment needed for records
Minutes initialled each page and overall signed?	Yes		Random selection of minutes reviewed all signed and initialled where relevant
Regular reporting of bank balance?	Yes		Banking reported monthly but balance quarterly

4. Budget			
Annual budget to support precept?	Yes		All seen and happy with budget paperwork

Has budget been discussed and adopted by Council?	Yes		Discussed and agreed in January meeting
Any reserves earmarked?	Yes		Funds earmarked as follows: £10k for allotments; £10k for Stanford Centre; £15k for sports area and £49k (£15k, £15k & £19K) for churchyard and walls
Any unexplained variances from budget?	Yes		None
Precept demand correctly minuted?	Yes		Minuted January 2022

5. Payroll - Clerk			
Contract of employment?	Yes		No change to Clerk or contract from last year
Tax code issued?	Yes		Using BR tax code as main employment held elsewhere
PAYE/NI evidenced?	Yes		PAYE carried out by Smethurst
Has Council approved salary paid?	Yes		Paid standard clerk pay. Pay wasn't increased by the annual increment this year
Any other payments reasonable and approved by Council?	Yes		As previous year with agreed allowance for mileage and small petty cash items

6. Payroll – Other			
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 from last year
Minimum wages paid?	Yes		Paid standard living wage
Pension obligations met?	Yes		Review recommended as minimum earnings requirement has been reduced.
Complaints procedures in place?	Yes		Copy held in HR files

7. Asset Control			
Does Council keep a register of all material assets owned?	Yes		Updated March 2022
Is asset register up to date?	Yes		Updated March 2022
Value of individual assets included?	Yes		Yes
Inspected each year and reviewed?	Yes		Evidenced
Records of deeds, articles etc. kept?	Yes		All copies held

8. Cemetery			
Are bookings recorded and handled appropriately?	Yes		Separate register used, this shows booking, specific requests/requirements and payments due/received. Ongoing cloud backups
Are payments recorded and actioned?	Yes		Shown through bookings recordings
Are regulations complied with including PC's own rules and regulations?	Yes		Relaxed additional COVID rules where sensible to do so

9. Allotments			
Are tenancy agreements issued yearly?	Yes		New agreements issued at start of year. Continued with the stated assumption that payment of fees meant agreement to terms
Are rents collected appropriately and banked?	Yes		Most paid by BACS (preferred method) but still a few insisting on paying by cheque or cash
Are the PC's own regulations complied with?	Yes		Agreed Feb 2022. Individual plots insured via the allotment association

10. Bank Reconciliations			
IS there a bank rec for each account?	Yes		Statements issued monthly but full reconciliation carried out quarterly
Reconciliations carried out at least quarterly?	Yes		Seen in meeting minutes
Any unexplained balancing entries in reconciliation?		No	Nothing to report

11. Year End Procedures			
Year end accounts prepared on correct accounting basis?	Yes		All produced by the Scribe accounting 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?		No	To be signed at June meeting when internal audit is discussed

12. Miscellaneous			
Have points raised at last audit been addressed?	Yes		Cloud back up now introduced

Has the Council adopted a Code of Conduct after July 2012?	Yes		All in place
Are all electronic files backed up?	Yes		Started backing up using the cloud
IS GDPR being complied with?	Yes		Existing GDPR rules still adhered to but discussions always taking place regarding anything new
Do arrangements for public inspection of Council's records exist?	Yes		Appointments can be made at a neutral venue, but most documents now made available on the council website
Is the Councils gross annual turnover less than £25k (net of VAT) and if so, has it complied with the Smaller Authorities Regulations 2015?			N/A

Any further additional comments/ notes from Auditor:

Again, very happy with the audit and the help and openness of Nicola. Everything needed was provided at the and could be re-confirmed via the website.

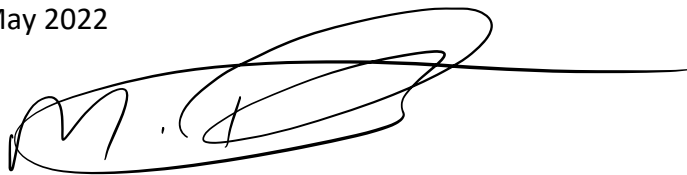
No major changes improvements needed

Would advice a review of staff pensions as the lower earnings level has reduced to £520 per month

Internal Audit carried out by: Mark Peterson

Date: 27th May 2022

Signed:



Report sent to Council – signed by the Clerk :

Report received by Council – signed by the Chairman: