

Scotter Parish Council Internal Audit Checklist 2017/18

Name of Council	Scotter Parish Council	Name of Clerk:	Nicola Alltoft - resigned Aug 2020 Rachael Reddin Temp Sept 2020
No. of councillors	10	Name of RFO	Nicola Alltoft - resigned Aug 2020 Rachael Reddin Temp Sept 2020
Quorum	4	Precept	£ 47,000 - Min128 2016/17
Electorate		Gross budgeted income	£ 50,800 - Min 128 2016/17

1. Book Keeping			
1.1. Ledger maintained and up to date?		No	No ledger located – Receipts/Payment schedule has been produced by RR based on documents located.
1.2. Arithmetic correct?			
1.3. Evidence of Internal Control?		No	No evidence identified as required by Financial Regulations & Audit requirements
1.4. VAT evidence, recording and reclaimed?			£2012.10 Received 08/08/17 No documents located
1.5. Payments in ledger supported by invoices, authorised and minuted? (see schedule)		No	Various discrepancies : - 17 Invoices Unknown 11 Invoices not located 16 Receipts Unknown 28 Cheques incorrect with documents Unknown payments £ 474.00
1.6. S137 separately recorded and within limits?		No	Various Grants/Donations £ 5,655.87 none recorded in minutes as s137
1.7. S137 expenditure of direct benefit to electorate?			£ 218.00 Christmas Tree & Lights

2. Due Process			
2.1. Standing Orders adopted since 2013?		No	Last review 17/05/10
2.2. Standing Orders reviewed at annual meeting?		No	
2.3. Financial Regulations adopted?		No	Last review 17/05/10
2.4. FRs properly tailored to council?		No	
2.5. Equal Opportunities policy adopted?		No	
2.6. Adequate internal controls for payments?		No	No Recorded evidence identified
2.7. List of member interests held?		No	No documents located
2.8. Agendas signed, informative and displayed with 3 clear days' notice?		No	No documents located
2.9. Purchase orders raised for all expenditure?		No	None Located
2.10. Purchasing authority defined in FRs?		?	No Bank Mandate
2.11. Legal powers identified in minutes and/or cashbook?		No	
2.12. Committee terms of reference exist and have been reviewed?		No	Planning & Playing Fields Committees

3. Risk Management

3.1. Does scan of minutes reveal any unusual activity?	Yes		Min158 2017/18 - RESOLVED: to purchase a gift voucher for £250 from Greenstripe as a retirement gift for John Lyon - illegal
3.2. Annual risk assessment carried out?		No	No documents located
3.3. Insurance cover appropriate and adequate?			AON - £ 1,826.98 15/05/117
3.4. Evidence of annual insurance review?		No	No documents located
3.5. Internal financial controls documented and evidenced?		No	
3.6. Minutes initialled, each page identified and overall signed?		No	Unsigned copy on website Signed Minutes not located
3.7. Regular reporting and minuting of bank balance?		No	Not identified
3.8. S137 expenditure minuted?		No	

4. Budget

4.1. Annual budget to support precept?	Yes		Min128 2016/17
4.2. Has budget been discussed and adopted by council?	Yes		Min128 2016/17
4.3. Any reserves earmarked?	Yes		Mower/Memorial/Rookery
4.4. Any unexplained variances from budget?			
4.5. Precept demand correctly minuted?	Yes		Min128 2016/17

5. Payroll - Clerk / RFO

5.1. Contract of employment?			Not located
5.2. Does council have public liability cover?			No documents located
5.3. PAYE / NI evidence?			June/Dec 2107 Paid £ 2561.78
5.4. Has council approved salary paid?			Paid £ 16,382.43
5.5. Other payments reasonable and approved by council?			?
5.6. Pension obligations met?			No Pension Regulator documents located
5.7. Tax code(s) issued?			No documents located
5.8. Complaints procedure in place?			No documents located

6. Payroll - Village Person

6.1. Contract of employment?			Not located
6.2. Does council have public liability cover?			?
6.3. PAYE / NI evidence?			No documents located
6.4. Has council approved salary paid?			Paid £ 11,266.76
6.5. Other payments reasonable and approved by council?			?
6.6. Pension obligations met?			?
6.7. Tax code(s) issued?			No documents located
6.8. Complaints procedure in place?			No documents located

7. Asset Control

7.1. Does council keep a register of all material assets owned?			Not located - Box 9 @ £ 160,634
7.2. Is asset register up to date?		No	
7.3. Value of individual assets included?		No	
7.4. Inspected for risk and up to date inspection records exist		No	
7.5. Record of deeds, articles and land register references available?		No	

8. Bank Reconciliations

8.1. Is there a bank reconciliation for each account?			Produced by RR
8.2. Reconciliation carried out on receipt of statement?		No	No evidence on Bank Statements
8.3. Any unexplained balancing entries in any reconciliation?			

9. Year End Procedures

9.1. Yearend accounts prepared on correct accounting basis?			Receipts/Payment documents have been produced by RR based on documents located to enable the IA process.
9.2. Bank statements and ledger reconcile?	Yes		As 9.1
9.3. Underlying financial trail from records to presented accounts?	Yes		As 9.1
9.4. Where appropriate, debtors and creditors properly recorded?	Yes		As 9.1
9.5. Has council agreed, signed and minuted sections 1 & 2 of the annual return?		No	Not presented as required in 2018

10. Miscellaneous

10.1. Have points raised at the last audit been addressed?			No IA Report located
10.2. Has the council adopted a Code of Conduct since July 2012	No		Last copy dated 15/10/12
10.3. Is eligibility for General Power of Competence properly evidenced?		No	
10.4. Are all electronic files backed up?		No	
10.5. Do arrangements for public inspection of councils' records exist?		No	No documents located

Recommendations

The Council need to be fully aware of the extent of the situation and need to action plan to regulate.

Documents required to undertake the Internal Audit have not been located, as the filing cabinet in the PC office only has paperwork up to 2012/2013.

The Cemetery fees on the website are dated 2010, as are the standing orders located on the PC Laptop.

A search of the PC website does not have any financial information and no evidence of compliance with Transparency Regulations.

Documents required to carry out the 2017/18 Internal Audit consist of: -

Standing Orders / Financial Regulations / Equal Opportunity Policy / Grants Policy / Cllrs Declarations of Interest / Code of Conduct / All Council & Committee Agendas / Signed Council Minutes / Signed Planning Committee Minutes / Signed Playing Field Minutes / Committee Terms of Reference / Insurance Policy / Asset Register / Deeds Articles - Land Register / Risk Assessments / Rental Contracts / Contracts of Employment / VAT records / Pension docs / HMRC – PAYE/NI & VAT documents / Cemetery documents / Allotment documents / Bank Mandate.

	Year ending 31 March 2017	Year ending 31 March 2018
1. Balances brought forward	85790	84255
2. Annual precept	41096	47000
3. Total other receipts	31341	11540
4. Staff costs	27813	27649
5. Loan interest/capital repayments	0	0
6. Total other payments	46159	28616
7. Balances carried forward	84255	86530
8. Total cash and investments	84255	86530
9. Total fixed assets and long-term assets	160634	160634
10. Total borrowings	0	0

Internal audit carried out by	<i>BK Brooks</i>	BK Brooks CiLCA
Audit type - Final		
Date 7th October 2020		

For auditor's use only	
Section 4 of Annual Return Form completed and signed	7th October 2020
Report/letter sent to council	10th October 2020