

Scotter Parish Council Internal Audit Checklist 2020/21

Name of Council	Scotter Parish Council	Name of Clerk:	Nicola Alltoft - resigned Aug 2020 Rachael Reddin Temp Sept-Dec 2020 Kylea Mathieson – Dec 2020
No. of councillors	6 of 10	Name of RFO	Nicola Alltoft - resigned Aug 2020 Rachael Reddin Temp Sept-Dec 2020 Kylea Mathieson – Dec 2020
Quorum	4	Precept	£ 54,300 ?
Electorate	2546	Gross budgeted income	?

1. Book Keeping			
1.1. Ledger maintained and up to date?	Yes		Receipts/Payment schedule produced by RR based on documents located, completed by Kyela
1.2. Arithmetic correct?	Yes		
1.3. Evidence of Internal Control?	Yes		
1.4. VAT evidence, recording and reclaimed?	Yes		£ 2,364.71 Claim Jan18 – Dec 20 Rec 1
1.5. Payments in ledger supported by invoices, authorised and minuted? (see schedule)			Various discrepancies with Invoices & Cheques prior to Sept 20
1.6. S137 separately recorded and within limits?		No	Various Grants/Donations
1.7. S137 expenditure of direct benefit to electorate?	Yes		£ 264

2. Due Process			
2.1. Standing Orders adopted since 2013?	Yes		Min 2102/10
2.2. Standing Orders reviewed at annual meeting?		No	No APCM May 2020
2.3. Financial Regulations adopted?	Yes		Min 2012/21
2.4. FRs properly tailored to council?	Yes		
2.5. Equal Opportunities policy adopted?		No	Rec 2
2.6. Adequate internal controls for payments?	Yes		
2.7. List of member interests held?	Yes		Rec 3
2.8. Agendas signed, informative and displayed with 3 clear days' notice?	Yes		Rec 4
2.9. Purchase orders raised for all expenditure?		No	
2.10. Purchasing authority defined in FRs?	Yes		
2.11. Legal powers identified in minutes and/or cashbook?		No	Rec 5
2.12. Committee terms of reference exist and have been reviewed?			No Committees Rec 6

3. Risk Management			
3.1. Does scan of minutes reveal any unusual activity?	Yes		Rec 7
3.2. Annual risk assessment carried out?		No	Rec 8
3.3. Insurance cover appropriate and adequate?			BHIB ANNUAL
3.4. Evidence of annual insurance review?		No	Rec 9 No INS – 2010 23/10/20
3.5. Internal financial controls documented and evidenced?	Yes		???
3.6. Minutes initialled, each page identified and overall signed?			Regulated from Dec 20
3.7. Regular reporting and minuting of bank balance?	Yes		
3.8. S137 expenditure minuted?		No	

4. Budget			
4.1. Annual budget to support precept?		No	Rec 10
4.2. Has budget been discussed and adopted by council?		No	Rec 11
4.3. Any reserves earmarked?		No	Rec12
4.4. Any unexplained variances from budget?			
4.5. Precept demand correctly minuted?		No	

5. Payroll - Clerk / RFO / Cemetery Clerk			
5.1. Contract of employment?	Yes		Rec13
5.2. Does council have public liability cover?	Yes		
5.3. PAYE / NI evidence?	Yes		
5.4. Has council approved salary paid?	Yes		
5.5. Other payments reasonable and approved by council?	Yes		
5.6. Pension obligations met?	Yes		
5.7. Tax code(s) issued?	Yes		
5.8. Complaints procedure in place?	Yes		

6. Payroll - Village Person			
			Self Employed - Contract to be regulated
			Rec 14
6.1. Contract of employment?			
6.2. Does council have public liability cover?			
6.3. PAYE / NI evidence?			
6.4. Has council approved salary paid?			
6.5. Other payments reasonable and approved by council?			
6.6. Pension obligations met?			
6.7. Tax code(s) issued?			
6.8. Complaints procedure in place?			

7. Asset Control

7.1. Does council keep a register of all material assets owned?	Yes		
7.2. Is asset register up to date?	Yes		
7.3. Value of individual assets included?	Yes		
7.4. Inspected for risk and up to date inspection records exist		No	Rec 15
7.5. Record of deeds, articles and land register references available?			Rec16

8. Bank Reconciliations

8.1. Is there a bank reconciliation for each account?	Yes		
8.2. Reconciliation carried out on receipt of statement?	Yes		
8.3. Any unexplained balancing entries in any reconciliation?		No	
8.4. Bank Mandate ?	Yes		Dec 2020

9. Year End Procedures

9.1. Yearend accounts prepared on correct accounting basis?	Yes		
9.2. Bank statements and ledger reconcile?	Yes		
9.3. Underlying financial trail from records to presented accounts?	Yes		
9.4. Where appropriate, debtors and creditors properly recorded?	Yes		
9.5. Has council agreed, signed and minuted sections 1 & 2 of the annual return?		No	

10. Miscellaneous

10.1. Have points raised at the last audit been addressed?	Yes		Rec 17
10.2. Has the council adopted a Code of Conduct since July 2012	Yes		Min 2102/11
10.3. Is eligibility for General Power of Competence properly evidenced?		No	
10.4. Are all electronic files backed up?	Yes		Microsoft 365
10.5. Do arrangements for public inspection of councils' records exist?	Yes		

Recommendations

1. 1.4 It should never be assumed that registration for **VAT** purposes means that *all* value added tax can be recovered.
2. 2.5 Equal Opportunities policy to be adopted.
3. 2.7 Member interests to be reviewed annually.
4. 2.8 Agendas to be informative of financial items.
5. 2.11. Legal powers identified in minutes and/or cashbook?
6. 2.12 Personnel Committee required
7. 3.1 Co-options should be Open & Transparent - NOT an exclusion item.
8. 3.2 . Annual risk assessments of all assets required.
9. 3.4 Annual Insurance review required.
10. 4.1 Annual budget required to support precept.
11. 4.2. Annual budget required to be discussed and adopted by council.
12. 4.3 Any reserves to be earmarked.
13. 5.1 Contract of Employment does not refer to pension.
14. 6 Village Person terms of contract to be regulated.
15. 7.4 Risk Assessment and up to date inspection records required.
16. 7.5 Record of deeds, articles and land register references required.
17. 10.1 A considerable improvement has been achieved since the last audit due to Rachael's temporary employment the appointment of Kyela in December 2020

	Year ending 31 March 2020	Year ending 31 March 2021
1. Balances brought forward	73485	Redact 70,132
2. Annual precept	Redact 51800	54,300
3. Total other receipts	Redact 11921	58,542
4. Staff costs	28671	13,800
5. Loan interest/capital repayments	0	0
6. Total other payments	Redact 38403	45,685
7. Balances carried forward	Redact 70132	135,768
8. Total cash and investments	Redact 70132	135,768
9. Total fixed assets and long-term assets	160634	259,525
10. Total borrowings	0	0

Internal audit carried out by	<i>BK Brooks</i>	BK Brooks CILCA
Audit type – Final		
Date 11th May 2021		

For auditor's use only	
Section 4 of Annual Return Form completed and signed	11th May 2021
Report/letter sent to council	11th May 2021