

**Elker Lodge Bookkeeping Services Internal Audit Service - Checklist for Year Ending 31 March 2022**

Band	Income or Expenditure (whichever is the higher)	Fee	Quoted
1	£0 to £5,000	£100	
2	£5,001 to £10,000	£125	
3	£10,001 - £25,000	£200	
4	£25,001 - £50,000	£250	
5	>£50,000	POA	

Councillors		Elected	DOI	Councillors	Elected	DOI
Chair	Anne Johnson	E				
Vice Chairman	Peter Gibbs	CO				
	Lynne Tomlinson	CO				
	Robert Tomlinson	CO				
	Warren Philliskirk	E				
All re-elected as uncontested						

<b>Name of Council</b>	Moor Monkton	<b>Name of Clerk:</b>	Linda Goddard
<b>No. of councillors</b>	5	<b>Name of RFO (if different)</b>	
<b>Precept</b>	4500		
<b>Gross budgeted income</b>	4819		



1. Bookkeeping		Yes / No	Observations	Suggested advice to be given by EBS
1.1. Cash book maintained and up to date?		Yes		
1.2. Payments in cashbook supported by invoices, authorised and minuted?		Yes	No evidence that ongoing annual charges ie verge cutting and website bring reviewed, discussed and approved by councillors	Review that suppliers as agreed by councillors
1.3. <b>General Power of Competence</b> (GPC) eligibility is properly evidenced? <b>CiLCA Certificate seen / 2/3 of Councillors elected</b>		No	No Cilca held by Clerk	
1.4. <b>Expenditure Legal powers</b> identified in minutes and/or cashbook? Only applicable if no General Power of Competence		NO	Worked with Linda to improve accounts to improve transparency	To continue to review powers of spending
1.5. <b>VAT</b> evidence, recording and reclaimed?		Yes		
1.6. Is there a Bank Reconciliation – All accounts		Yes		
1.7. Any unexplained balancing entries in any reconciliation?		Yes	Uncleared chegues at y/e	Worked with linda to improve accounting practice
1.8. Bank statements and ledger (Cashbook) reconcile?		Yes		
1.9. <b>Opening Balance on Balance sheet – Reconciles to Previous closing balance.</b>		Yes		
1.10. Underlying financial trail from records to presented accounts? <b>Notes to late clearing prev yr Transactions</b>		Yes	Uncleared chegues at y/e	Worked with linda to improve accounting practice
1.11. Where appropriate, debtors and creditors properly recorded?		None		
1.12. S137 separately recorded and within limits?		Yes		
1.13. S137 expenditure of direct benefit to electorate?			Not used	
1.14. S137 expenditure minuted?				
1.15. Evidence of Internal Control and effectiveness of this reviewed		Yes	Minute 21077f 6 monthly checks plus all payments & Inv reviewed in Meetings	
1.16. Does the Council manage petty cash and is it accounted for properly and included in the AGAR figures		Not Held		
1.17. Has the Council dealt with the AGAR in the correct way? All signed and declared correctly and legitimately? (Annual Governance Accountability Return)		Yes		
Finance	SR	1.18. Model Financial Regulations (NALC 2019)	Yes	Note Purchasing Authority of RFO Clerk reduced from £500 from £1000 as per internal auditors recommendations

Finance	SR	1.19. Financial Regulations properly tailored to council?	Yes		
Finance	SR	1.20. Purchasing authority defined in Financial Regulations?	Yes		
Finance	AR	1.21. Financial Risk Assessment / Management Policy – per Reg 3c of (A&A R 2015)	No		Recommend adoption and listing on web site
Finance	AR	1.22. Financial Risk / Internal Controls Checklist – evidence of random checks	Yes	Minute 21077f 6 monthly checks	
Finance	AR	1.23. Financial risk Assessment - Annual - Process / team working / random Checks, doc in minutes	Yes	Minute 21077f 6 monthly checks	
Finance	AR	1.24. Adequate internal controls for payments? Including adequate arrangements for BACS payments, direct debits and standing orders? Split Roles	Yes	2 councillors sign cheques / looking into online banking	
Finance	AR	1.25. External Audit - has council correctly declared itself exempt from? If so which return	Yes	2021/2022 return	

2. Budget / Reserves	Yes / No	Observations	Suggested advice to be given by EBS																								
2.1. Annual budget to support precept? <b>Calculated expenses less income not inc precept – not just a % inflation increase – suggests council is not responsive.</b>	Yes		<p>The general reserve is now extremely low, and the budget is not keeping up with inflation</p> <p>The council need to review this and the amount set aside in the ring fenced village development fund, which has left the general reserve extremely low</p>																								
2.2. Has budget been discussed and adopted by council? <b>In minutes</b>	Yes	22/23 21077e																									
2.3. Precept demand to invoicing authority correctly minuted? <b>In minutes</b>	Yes	22/23 21077e																									
2.4. Budget against spend comparisons provided regularly to the Council with bank reconciliation.? <b>In minutes</b>	Yes	Within each meeting minutes																									
2.5. Any reserves earmarked?	No	<p>This was not clear in the accounts</p> <p>Worked with linda to make this clearer</p> <table border="1" data-bbox="891 890 1296 1034"> <thead> <tr> <th colspan="4">Ring Fenced</th> </tr> </thead> <tbody> <tr> <td>Village Development</td> <td>21/22</td> <td>9740.6</td> <td>Minuite</td> </tr> <tr> <td></td> <td>22/23</td> <td></td> <td></td> </tr> <tr> <td>Memorial Stone</td> <td></td> <td>500</td> <td>Minuite</td> </tr> <tr> <td></td> <td></td> <td>10240.6</td> <td></td> </tr> <tr> <td>General Reserve</td> <td></td> <td>887.60</td> <td></td> </tr> </tbody> </table> <p>As this wasn't clear there has been a 9740.60 moved from general reserve to the village development fund, this has left the general reserve extremely low</p>	Ring Fenced				Village Development	21/22	9740.6	Minuite		22/23			Memorial Stone		500	Minuite			10240.6		General Reserve		887.60		<p>There needs to be work done by the councillors to clearly outline the intention of the village development found.</p> <p>Have the electorate been consulted</p> <p>What is the timeframe</p> <p>Want is the cost</p> <p>How will the difference be achieved?</p> <p>I suggest the councillors urgently review the amount set aside, movement between the funds will require minuting.</p>
Ring Fenced																											
Village Development	21/22	9740.6	Minuite																								
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Memorial Stone		500	Minuite																								
		10240.6																									
General Reserve		887.60																									
2.6. Level of general reserves within Proper Practice? <b>le between 3 and 12 months running costs</b>	No		As above																								
2.7. Any unexplained variances from budget?	No																										

Commented [EE1]:

3. Asset Control			Yes / No	Observations	Suggested advice to be given by EBS
Finance	AR	3.1. Asset Register	Yes	Reviewed in Yr	
Finance	AR	3.2. Insurance Register	Yes		
3.3. Value of individual assets included?			Yes		
3.4. Inspected for risk and up to date inspection records exist			Yes	Tree Inspection minute 21105 Defib minute 21106	Minute Defib Battery & Pad Life Seat & notice Board observations of risk
3.5. Record of deeds, articles and land register references available?			No	Not Held	

4. Risk Management (Financial)			Yes / No	Observations	Suggested advice to be given by EBS
4.1. Does scan of minutes reveal any unusual activity?			No		
4.2. Insurance cover appropriate and adequate?			Yes		
4.3. Does the Council have any cash investments?			No		
4.4. If 'yes' at 4.3, has the Council considered the Government's investment guidance?					
4.5. Is the Council the trustee of a charity?			No		
4.6. If 'yes' at 4.5, have the charity accounts been audited separately in the year?					
4.7. Has the Council any outstanding loans? PWLB			No		
4.8. If 'yes' at 4.7, has it budgeted for repayments in the year?					

5. Payroll – Clerk and other employees		Yes / No	Observations	Reviewed In Year
5.1. Does the Council operate its own payroll? Is it outsourced if not? If neither, how does the Council manage payroll		Yes	Online HMRC	
5.2. PAYE/NI/RTI evidence? ie, P32 records		Yes		
5.3. Has council approved salary paid?		Yes		
5.4. Salary accords with SCP (Salary Calculated Pay) agreed by Council		No		Recommend audit of hours is enough to cover the work involved Rate 10.42 Minimum wage 9.50 No office allowances Heat light electric Recommend the councillors review this hourly rate,
5.5. Other payments reasonable and approved by council?		Yes		
5.6. Wage slips and P60 evidence?		Yes		
5.7. Pension obligations met?		Yes	Opted Out	
Employment/ Personnel	SR	5.8. Contract of employment for all members of staff	Yes	Held by Clerk
Employment/ Personnel	BP	5.9. Expenses Policy for Clerk	No	Not listed on website Recommends adoption and listing on web site
Employment/ Personnel	SR	5.10. Pensions Policy	No	Not listed on website Requires adoption and listing on web site
Employment/ Personnel	BP	5.11. Sickness & Absence Policy	No	Not listed on website Recommends adoption and listing on web site
Employment/ Personnel	BP	5.12. Training and Development Policy	No	Not listed on website Recommends adoption and listing on web site
Employment/ Personnel	BP	5.13. Bullying and Harassment/Dignity at Work Policy	No	Not listed on website Recommends adoption and listing on web site
Employment/ Personnel	BP	5.14. Equal Opportunities Policy?	Yes	On website
Employment/ Personnel	BP	5.15. Grievance and Disciplinary Policy?	Yes	On website

6. Transparency / Internal Controls	Yes / No	Observations / Missing Years	Suggested advice to be given by EBS
6.1. Is the Council exempt from external audit – Annual turnover <25K – <b>Check 1.27</b>	Yes		
6.2. Is the Council compliant with the Transparency Code for Smaller Authorities? <b>Minutes listed on website</b> from April 2015 <i>Draft or Approved? / Within one month / If draft why not approved? / If approved why not replaced draft on website?</i>	Yes		
6.3. <b>Annual Parish Council Meeting (APCM) Minutes</b> listed on website from Apr 2015	No	2015 2016 2017 2019 2020	2015 2016 2017 2019 2020 need uploading to Web
6.4. <b>Minutes</b> initialled, each page identified and overall signed?	Yes		
6.5. <b>Minutes</b> include Bank Balance	Yes		
6.6. <b>Minutes</b> include payments reviewed & Agreed	Yes		
6.7. Is the Council compliant with the Transparency Code for Smaller Authorities? <b>End of Year Accounts listed on website</b> from y/e 31/3/2016 <i>Cashbooks / Budgets / Bank Reconciliations</i>	Yes		
6.8. Is the Council compliant with the Transparency Code for Smaller Authorities? <b>Internal Auditor Reports listed on website</b> from y/e 31/3/2016	Yes		
6.9. Have points raised at the last <b>Internal Auditor</b> been addressed?	Yes		
6.10. Is the Council compliant with the Transparency Code for Smaller Authorities? <b>External Auditor Reports / Audited Agar listed on website</b> from y/e 31/3/2016	Yes		
6.11. Is the Council compliant with the Transparency Code for Smaller Authorities? <b>Asset Register listed on website</b> from April 2015 <b>Check 3.1</b>	Yes		
6.12. Is the Council compliant with the Transparency Code for Smaller Authorities? <b>A list of councillor responsibilities listed on website</b> from April 2015	Yes		Recommend listing against separately against each councillor picture for transparency, to review yearly
6.13. Do arrangements for <b>public inspection</b> of council's records exist? <i>Dates when they were open – 30 working days including 1<sup>st</sup> 10 working days of July</i>	Yes	Seen & On Website	

Mand/Stat Req (SR) Best Practice (BP) Audit Req (AR)		7. Due Process & Policies	Y / N	Observations	Suggested advice to be given by EBS
Basic Governance	SR	7.1. <b>Code of Conduct</b> since July 2012? (to be replaced)	Yes		
Basic Governance	SR	7.2. Committee <b>terms of reference</b> exist & have been reviewed? Only required if any committees		No Committees	
Basic Governance	BP	7.3. List of <b>member interests</b> held?	Yes		Recommend listing against separately against each councillor picture for transparency, to review yearly
Basic Governance	SR	7.4. Model Standing Orders	Yes		
Openness & Accountability	SR	7.5. <b>Complaint's Policy</b>	Yes		
Openness & Accountability	BP	7.6. <b>Recording Policy – Video / audio etc</b>	No	Not listed on website	Recommends adoption and listing on web site
Data Protection/GDPR	SR	7.7. <b>GDPR Policy - Privacy notice – general</b>	Yes		
Openness & Accountability & Data Protection/GDPR		7.8. <b>ICO licence - ICO Model Publication Scheme 2014</b>	Yes		
Data Protection/GDPR	SR	7.9. <b>Privacy notice – employees, councillors, role holders and volunteers</b>	Yes		
Data Protection/GDPR	BP	7.10. <b>Records Management Policy</b>	Yes		
Data Protection/GDPR	BP	7.11. Has the Council done a <b>data audit?</b> Remove personal information	No		There are individual names in the Minutes - Seek Guidance from the YLCA re redaction of minutes on the Web & Minute book
	SR	7.12. <b>Notice of meeting</b> displayed with 3 clear working days' notice in a conspicuous place	Yes	Placed on notice board, website and emailed the thusday preceeding the Wednesday meeting	
	SR	7.13. <b>Summons</b> signed, and issued to councillors with agenda, with 3 clear days' notice? ? <b>Agenda used</b>		Use the Agenda as a summons	

8. Data	Y / N	Observations	Suggested advice to be given by EBS
8.1. Are all electronic files backed up?	Yes	USB	
8.2. Does the Council have a website or use another data platform?	Yes	Needs updating as recommended above, would recommend a separate financial tab rather than within reports, would improve transparency	

Annual Governance and Accountability Return		
	Year ending 31 March 2021	Year ending 31 March 2022
1. Balances brought forward	8862	9533
2. Annual precept	4250	4500
3. Total other receipts	4	319
4. Staff costs	2182	1860
5. Loan interest/capital repayments	0	0
6. Total other payments	1402	1442
7. Balances carried forward	9533	11050
8. Total cash and investments	9533	11050
9. Total fixed assets and long-term assets	2733	2735
10. Total borrowings	0	0

Internal audit carried out by	(signed)	(print)
		C Pillow
Date	19/04/2022	

For auditor's use only	
Internal audit section of AGAR completed and signed	
Report sent to council	
Copy of internal auditor's report sent to EBS with details of any advice/guidance needed to be given	