

Yorkshire Local Councils Associations Internal Audit Checklist for Year Ending 31 March 2020

Name of Council		Name of Clerk:	
No. of councillors		Name of RFO (if different)	
Precept			
Gross budgeted income			

Book Keeping				
			Observations	Action required:
1.1. Cash book maintained and up to date?	Yes	No		
1.2. Arithmetic correct?	Yes	No		
1.3. Evidence of Internal Control and effectiveness of this reviewed	Yes	No		
1.4. VAT evidence, recording and reclaimed?	Yes	No		
1.5. Payments in cashbook supported by invoices, authorised and minuted?	Yes	No		
1.6. S137 separately recorded and within limits?	Yes	No		
1.7. S137 expenditure of direct benefit to electorate?	Yes	No		
1.8. S137 expenditure minuted?	Yes	No		
1.9. Does the Council manage petty cash and is it accounted for properly and included in the AGAR figures	Yes	No		

2. Due Process				
			Observations	Action required:
2.1. Council correctly declared itself exempt from external audit?	Yes	No		
2.2. Standing Orders adopted to accord with NALC model July 2018	Yes	No		
2.3. Standing Orders reviewed in the year?	Yes	No		
2.4. Financial Regulations adopted? and up to date (NALC 2019)	Yes	No		
2.5. FRs properly tailored to council?	Yes	No		
2.6. Equal Opportunities policy adopted?	Yes	No		
2.7. Adequate internal controls for payments? Including adequate arrangements for BACS payments, direct debits and standing orders?	Yes	No		

2.8. List of member interests held?	Yes	No		
2.9. Summons signed, and issued to councillors with agenda, with 3 clear days notice?	Yes	No		
2.10. Notice of meeting displayed with 3 clear days notice in a conspicuous place	Yes	No		
2.11. Purchasing authority defined in FRs?	Yes	No		
2.12. Legal powers identified in minutes and/or cashbook?	Yes	No		
2.13. Committee terms of reference exist and have been reviewed?	Yes	No		

3. Risk Management (Financial)				
			Observations	Action required:
3.1. Does scan of minutes reveal any unusual activity?	Yes	No		
3.2. Annual risk assessment carried out? (Financial risk assessment)	Yes	No		
3.3. Insurance cover appropriate and adequate?	Yes	No		
3.4. Evidence of annual insurance review?	Yes	No		
3.5. Minutes initialled, each page identified and overall signed?	Yes	No		
3.6. Regular reporting and minuting of bank balance?	Yes	No		
3.7. Does the Council have any cash investments?	Yes	No		
3.8. If 'yes' at 3.8, has the Council considered the Government's investment guidance?	Yes	No		

4. Budget				
			Observations	Action required:
4.1. Annual budget to support precept?	Yes	No		
4.2. Budget against spend comparisons provided regularly to the Council with bank reconciliation?				
4.3. Has budget been discussed and adopted by council?	Yes	No		
4.4. Any reserves earmarked?	Yes	No		
4.5. Level of reserves within Proper Practice? ie between 3 and 12 months running costs	Yes	No		
4.6. Any unexplained variances from budget?	Yes	No		
4.7. Precept demand correctly minuted?	Yes	No		

5. Payroll – Clerk and other employees				
			Observations	Action required:
5.1. Contract of employment for all members of staff	Yes	No		
5.2. Does the Council operate its own payroll? Is it outsourced if not? If neither, how does the Council manage payroll	Yes	No		
5.3. PAYE/NI/RTI evidence? ie, P32 records	Yes	No		
5.4. Has council approved salary paid?	Yes	No		
5.5. Salary accords with SCP agreed by Council	Yes	No		
5.6. Other payments reasonable and approved by council?	Yes	No		
5.7. Wageslips and P60 evidence?	Yes	No		
5.8. Pension obligations met?				

6. Asset Control				
			Observations	Action required:
6.1. Does council keep a register of all material assets owned?	Yes	No		
6.2. Is asset register up to date and accords with Proper Practices	Yes	No		
6.3. Value of individual assets included?	Yes	No		
6.4. Inspected for risk and up to date inspection records exist	Yes	No		
6.5. Record of deeds, articles and land register references available?	Yes	No		

7. Bank Reconciliations				
			Observations	Action required:
7.1. Is there a bank reconciliation that takes in account each bank/investment account? Reconciliations approved by council (with bank stats accompanying) and minuted	Yes	No		
7.2. Reconciliation carried out on receipt of statement?	Yes	No		
7.3. Any unexplained balancing entries in any reconciliation?	Yes	No		

8. Year End Procedures				
			Observations	Action required:

8.1. Bank statements and ledger reconcile?	Yes	No		
8.2. Underlying financial trail from records to presented accounts?	Yes	No		
8.3. Where appropriate, debtors and creditors properly recorded?	Yes	No		
8.4. Has the Council dealt with the AGAR in the correct way? All signed and declared correctly and legitimately?	Yes	No		

9. Miscellaneous				
			Observations	Action required:
9.1. Have points raised at the last audit been addressed?	Yes	No		
9.2. Has the council adopted a Code of Conduct since July 2012?	Yes	No		
9.3. Is eligibility for General Power of Competence properly evidenced? (if used)	Yes	No		
9.4. Are all electronic files backed up?	Yes	No		
9.5. Do arrangements for public inspection of council's records exist?	Yes	No		
9.6. Is the Council compliant with the Transparency Code for Smaller Authorities?	Yes	No		
9.7. Does the Council have a Privacy Policy (and on its website)	Yes	No		
9.8. Does the Council have a website or use another data platform?	Yes	No		
9.9. Has the Council done a data audit? Note date of review if given	Yes	No		
9.10. Has the Council adopted a record management policy?	Yes	No		
9.11. Complaints procedure in place?	Yes	No		
9.12. Is the Council the sole trustee of a charity?	Yes	No		
9.13. If 'yes' at 9.12, have the charity accounts been audited separately in the year?	Yes	No		
9.14. Has the Council any outstanding loans?	Yes	No		
9.15. If 'yes' at 9.14, has it budgeted for repayments in the year?	Yes	No		
9.16. Grievance and Disciplinary procedures adopted?				

Transaction Spot Check – 6 checks of each.						
Check No.	1	2	3	4	5	6
Cheque stubs initialled						

Cheque number in cash book						
Payment approval minuted						
Invoice value correct						
Minute value correct						
Cheque value correct						
Timely payment						
VAT recorded in cash book						
S137 recorded in cash book						
S137 minuted						
PAYE payments timely						
Notes						

Annual Governance and Accountability Return		
	Year ending 31 March 2020	Year ending 31 March 2021
1. Balances brought forward		
2. Annual precept		
3. Total other receipts		
4. Staff costs		
5. Loan interest/capital repayments		
6. Total other payments		
7. Balances carried forward		
8. Total cash and investments		
9. Total fixed assets and long term assets		
10. Total borrowings		

Internal audit carried out by	(signed)	(print)
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Date	
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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 YLCA with details of any advice/guidance needed to be given	