

Appendix 1 - Checklist for requirement of effective internal control		Yes	No
14.1 Risk			
a) Are Risk Management Arrangements in place?			
➤ Corporate			
➤ Financial			
➤ Health and Safety			
b) Does a scan of the minutes identify any unusual activity?			
c) Do the minutes record the Council carrying out an annual risk assessment?			
d) Is insurance cover appropriate and adequate?			
e) Are internal financial controls documented and regularly reviewed?			
14.2 Assets Controls			
a) Does the Council keep an Assets Register of all material assets owned?			
b) Is the Register up to date?			
c) Do asset insurance valuations agree/reconcile with those in the Register?			
14.3 Building Ownership			
a) Are statutory services carried out?			
b) Are assets maintained to an acceptable standard of repair?			
c) Are utility costs regularly monitored?			
d) Are leasehold interests effectively managed?			
e) Do tenants have up to date rental agreements and are they effectively managed?			
14.4 Budgetary controls			
a) Has the Council prepared an annual budget in support of its precept?			
b) Is actual expenditure against the budget and the reasons for significant variances regularly reported to Council?			
c) Are there any significant unexplained variances from budget?			
14.5 Income controls			
a) Is income properly recorded and promptly banked?			
b) Does the precept recorded in the cashbook agree to the District Council's notification?			
c) Are security controls over cash adequate and effective?			
d) Are rents collected as they fall due or arrears arrangements adhered to?			
e) Are other debts collected as they fall due or are credit control escalation arrangements adhered to?			
f) Are invoices raised promptly and accurately after an appropriate trigger event or milestone?			
14.6 Bank Reconciliation			
a) Is there a bank reconciliation for each bank account?			
b) Is the bank reconciliation carried out regularly on the receipt of statements?			
c) Are there any unexplained balancing entries in any reconciliation?			
d) Is the bank mandate up to date?			
14.7 Petty Cash Procedures			
a) Is all petty cash spent recorded and supported by VAT invoices/receipts?			
b) Is petty cash reimbursement carried out regularly?			
14.8 Payroll Controls			
a) Do salaries paid agree with those approved by Council?			
b) Are other payments to the Town Clerk reasonable and approved by Council?			
c) Have PAYE/NIC/pensions been properly operated by the Council as an employer?			
d) Are HR matters (e.g. recruitment, objectives, appraisals, annual leave) effectively managed?			
14.9 Year-End Procedures			
a) Are year-end accounts prepared on the correct accounting basis?			
b) Do accounts (e.g. fixed assets, debtors, creditors, cash) agree with underlying records and registers?			
c) Have accruals and prepayments been recorded correctly?			
d) Is there an audit trail from underlying financial records to the accounts?			
e) Is the external audit carried out promptly with any errors or control deficiencies reported and actioned promptly?			