

**Elker Lodge Bookkeeping Services Internal Audit Service**

Checklist for Year Ending

31st March

2024

<b>Name of Council</b>	Parish Council – Acaster Malbis					
<b>No. of Councillors</b>	Seven					
<b>Name of Clerk:</b>	Craig Booth					
<b>Precept</b>						
<b>Transparency Band</b>	< 25,000	✓	£25,000 - £200,000		>£200,000	
<b>Calculations Recommendations</b>						
<b>Policies</b>	<b>FINANCIAL REGULATION BEEN UPDATED 2024, ENSURE TO ADOPT AT MAY MEETING</b>					
	Policies on website are OK, but use checklist to ensure none missing					
<b>Agar Report</b>						
<b>Website</b>	Website Checked – 04 April 24					
	<a href="https://acastermalbis-pc.gov.uk/">https://acastermalbis-pc.gov.uk/</a>					
	Pages/Sections Inspected Home, Meeting, Members, Minutes, Finance, Governance  Observations Website very clear and easy to navigate					
<b>Minutes - Observations</b>	<b>2015 onwards on web</b>	Yes	<b>Missing Years</b>	None		
	<b>APCM</b>	Yes	<b>APM</b>	Yes		
	Budget approved 27Nov23, but appendix which was attached to minutes, should also be attached to minutes.					
	<b>No of Meetings</b>	Monthly				
	<b>Payments in Minutes</b>	Yes				

1 Balances Brought Forward	11,842.00	11,842.33	-0.33
2 Precept or Rates and Levies	4,398.00	4,398.00	0.00
3 Total Other Receipts	4,231.00	4,230.81	0.19
4 Staff Costs	4,784.00	4,784.01	-0.01
5 Loan Interest/Capital Repayment		0.00	0.00
6 All Other Payments	4,291.00	4,290.97	0.03
7 Balances Carried Forward	11,396.00	11,396.16	-0.16
8 Total Cash and Short Term Investments	11,396.00	11,396.16	-0.16

**Banks Accounts**

	<u>o/b</u>	<u>c/b</u>
	500.00	500.00
	11,342.33	10,896.16
	11,842.33	11,396.16

**Activity Check**

O/B Cashbook	11,842.33
Total Receipts in Yr	8,628.81
Total Exp in Year	0.00
	<u>20,471.14</u>
C/B Cashbook	11,396.16
should be Zero	<u>9,074.98</u>

**Opening Balance Check**

O/B Bank Statement	11,842.33
O/B Cashbook	11,842.33
	<u>0.00</u>
unpres payments at Y/E	
unpres receipts at Y/E	
should be Zero	<u>0.00</u>

**Receipts Check**

Total Receipts in Yr	8,628.81
Less Precep	4,398.00
Total Other Receipts	<u>4,230.81</u>

**Closing Balance Check**

C/B Bank Statement	11,396.16
C/B Cashbook	11,396.16
	<u>0.00</u>
unpres payments at Y/E	
unpres receipts at Y/E	
should be Zero	<u>0.00</u>

**Payments Check**

* Total Exp in Year	9,074.98
* Salarie in the Year	4784.01
* Milage All	
* Paye in Yr	
Total Staff cost	<u>4,784.01</u>
Other Exp on CB	<u>4,290.97</u>

**Elker Lodge Bookkeeping Services Internal Audit Service - Checklist for Year Ending 31 March 2024**

		✓ / ✗	Comments to aid improvement
<b>A. Appropriate accounting records have been properly kept throughout the year.</b> <b>AND</b> <b>I. Periodic bank account reconciliations were properly carried out during the year.</b>	Ensure the correct roll forward of the prior year cashbook balances to the new financial year	✓	
	Check a sample of financial transactions in cashbooks to bank statements, etc: the sample size dependent on the size of the authority and nature of accounting records maintained	✓	
	Ensure that bank reconciliations are prepared routinely, are subject to independent scrutiny and sign-off by members	✓	
	Verify the accuracy of the year-end bank reconciliation detail and ensure accurate disclosure of the combined cash and bank balances in the AGAR, section 2, line 8.	✓	
	Where the authority has bank balances in excess of £100,000 it has an appropriate investment strategy.	n/a	
	<b>General Power of Competence (GPC)</b> eligibility is properly evidenced?	n/a	
	<b>CiLCA Certificate seen / 2/3 of Councillors elected</b>	n/a	
	Expenditure <b>Legal powers</b> identified in minutes and/or cashbook? Only applicable if no General Power of Competence	n/a	
	<b>S137</b> separately recorded and within limits?	n/a	
	<b>S137</b> expenditure of <b>direct benefit to electorate</b> ?	n/a	
	<b>S137 expenditure minuted</b>	n/a	
<b>B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for.</b>	<b>Financial Regulations</b> properly <b>tailored</b> to council?	✓	See policy page
	<b>Financial Regulations</b> updated to <b>current Nalc Version</b>	✓	See policy page
	<b>Purchasing authority</b> defined in <b>Financial Regulations</b> ?	✓	See policy page
	<b>Financial Risk / Internal Controls Checklist</b> – <b>evidence of random checks</b>	✓	
	Financial risk Assessment - Annual - <b>Process / team working / random Checks, doc in minutes</b>	✓	
	Review the procedures in place for acquisition of <b>formal tenders and quotes</b> , ensuring they are in line with the SOs and FRs which should be based on the latest version.	✓	
	Ensure that <b>consistent values are in place for the acquisition of formal tenders between SOs and FRs</b> (frequently different limits are recorded in the two documents)	✓	
	<b>Financial risk Assessment - Annual</b> - <b>Process / team working / random Checks, doc in minutes</b> / Review the procedures for receipt of invoices, agreement of invoice detail and confirmation of goods /services delivery and approval for payment: ideally, a suitably designed certification stamp should be in place providing for evidencing of these checks and payments	✓	
	Check that there is <b>effective segregation</b> between the writing of cheques or the setting up of online payments, and physical release of payments providing for evidencing of these checks and payment authorisation	✓	clerk makes payments, a councillor checks payments from scribe and bank rec , email clr approval seen
	Check that <b>VAT reclaims</b> are prepared and submitted in a timely manner in line with the underlying records and in accordance with current HMRC requirements	✓	evidence of vat claim
Where <b>debit / credit cards</b> are in use, establish the total monthly and individual transaction limits and ensure appropriate controls over physical security and usage of the cards are in place	✓		

C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Ensure that authorities have prepared, and formally adopted, at least once annually, an appropriate and <b>comprehensive register</b> of assessed risks, both regular and ad hoc.	✓	
	Ensure that appropriate levels of <b>insurance cover</b> are in place for land, buildings, public, employers' and hirers' (where applicable) liability, fidelity / employees (including councillors) liability, business interruption and cyber security	✓	
	Ensure that appropriate arrangements are in place for <b>monitoring play areas, open spaces and sports pitches</b> : such reviews should be undertaken by appropriately qualified external inspectors or, if by officers or members, that they have received the appropriate training and accreditation	n/a	
	Review the <b>effectiveness of internal control</b> carried out by the authority	✓	systems in places viewed

D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	D. The precept or <b>rates requirement resulted from</b> an adequate <b>budgetary process; progress against the budget</b> was regularly monitored; and reserves were appropriate. / <b>Has budget &amp; Precep been documented In minutes</b>	✓	ensure a copy of budget is attached to the minuted that approves the budget
	Ensure that current year <b>budget reports</b> are prepared and submitted to Authority / Committees periodically during the year with appropriate commentary on any significant variances.	✓	
	Review the <b>budget performance</b> either during the year or at the financial year-end seeking explanations for any significant or unanticipated variances	✓	
	Ensure that the Authority has considered the <b>establishment of specific earmarked reserves</b> and, ideally, reviews them annually as part of the budget assessment process	✓	
	Ensure that the <b>precept received</b> in the accounts matches the prior year submission form to the relevant authority and the public record of precepted amounts	✓	

E. Expected income was fully received based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.	<b>Review "Aged debtor"</b> listings to ensure appropriate follow up action is in place	✓	all received
	<b>Allotments</b> : ensure that appropriate signed tenancy agreements exist, that an appropriate register of tenants is maintained identifying, that debtors are monitored.	na	
	<b>Burials</b> : ensure that a formal burial register is maintained that it is up-to-date and that a sample of interments and memorials are appropriately evidenced, that fees have been charged at the correct approved rate and been recovered within a reasonable time: (Authorities should also acquire and retain copies of Burial / Cremation certificates)	na	
	<b>Hall hire</b> : ensure that an effective diary system for bookings is in place identifying the hirer, hire times and ideally cross-referenced to invoices raised	na	
	<b>Leases</b> : ensure that leases are reviewed in a timely manner in accordance with the terms of the lease and rents similarly reviewed appropriately at the due time	na	
	<b>Other variable</b> income streams: ensure that appropriate control procedures and documentation are in existence to provide a clear audit trail through to invoicing and recovery of all such income	na	
	Where amounts are receivable on set dates during the year, ensure that an appropriate control record is maintained duly identifying the date(s) on which income is <b>due and actually received / banked</b>	na	

F. Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for	A number of authorities are now running down and closing their petty cash accounts and using debit / credit cards for ad hoc purchases. Consequently, a "Not covered" response is frequently required in this area	na	
	<b>Review the systems</b> in place for controlling any <b>petty cash</b> and also cash floats (used for bar, catering, etc)	na	
	Check a sample of transactions during the financial year to ensure appropriate <b>supporting documentation is held</b>	na	
	Review the existence of <b>evidenced periodic independent verification of the petty cash</b> and any other cash floats held	na	
	Ensure that <b>VAT is identified</b> wherever incurred and appropriate	na	

<p><b>G. Salaries to employees and allowances to members were paid in accordance with the authority's approvals, and PAYE and NI requirements were properly applied.</b></p>		Ensure that, for all staff, a formal <b>employment contract</b> is in place together with a confirmatory letter setting out any changes to the contract	✓	payxlip seen
		Ensure that appropriate procedures are in place for the payment of <b>members allowances</b> and deduction of any tax liability	✓	
		Ensure that, for a sample of staff salaries, gross pay due is calculated in accordance with the <b>approved spinal point on the NJC scale</b> or hourly rate, if off-scale, and also with the contracted hours	✓	
		Ensure that appropriate <b>tax codes</b> are being applied to each employee	✓	
		Where free or paid for <b>software is</b> used, ensure that it is up to date.	✓	
		For the <b>test sample of employees</b> , ensure that tax is calculated appropriately	✓	
		Check the correct treatment of <b>Pension contributions</b>	✓	
		For <b>NI</b> , ensure that the correct deduction and employer's contributions are applied: NB. The employers allowance is not available to councils but may be used by other authorities	✓	
		Ensure that the correct <b>employers' pension percentage</b> contribution is being applied	✓	
	Ensure that for the test sample, the correct <b>net pay is paid</b> to the employee with tax, <b>NI and pension contributions correctly paid</b> to the respective agencies.	✓		
<p><b>H. Asset and investment registers were complete and accurate and properly maintained. This section/assurance should be extended to include loans to or by the authority</b></p>	Tangible Fixed Assets:	Ensure that the Authority is maintaining a <b>formal asset register</b> and updating it routinely to record new assets at historic cost price, net of VAT and removing any disposed of / no longer serviceable assets	✓	on scribe
		<b>Physically verifying the existence and condition of high value</b> , high risk assets may be appropriate	n/a	
		Ideally, the register should identify for each asset the purchase cost and, if practicable, the <b>replacement / insured cost</b> , the latter being updated annually and used to assist in forward planning for asset replacement	✓	
		<b>Additions and disposals</b> records should allow tracking from the prior year to the current	✓	
		Ensure that the <b>asset value</b> to be reported in the AGAR at section 2, line 9 equates to the <b>prior year reported value</b> , adjusted for the nominal value of any <b>new acquisitions and / or disposals</b>	✓	
		Compare the <b>asset register with the insurance schedule</b> to ensure that all assets as recorded are appropriately insured or "self-insured" by the Authority	✓	
	Fixed asset investments:	Ensure that all long-term investments (i.e., those for more than 12 month terms) are covered by the <b>"Investment Strategy"</b> and reported as <b>Assets</b> in the AGAR at section 2, line 9.	n/a	
	Borrowing and Lending:	Ensure that the <b>authority has sought</b> and obtained appropriate <b>DMO approval for all loans acquired</b>	n/a	
		Ensured that the authority has <b>accounted for the loan appropriately</b> (i.e., recorded the full value of the loan. Any arrangement fee should be regarded as an admin expense) in the year of receipt	n/a	
		Ensure that the combined <b>principal loan repayment and interest</b> for the year is correctly recorded in the AGAR at section 2 line 5	n/a	
		Ensure that the <b>outstanding loan liability</b> as at 31st March each year is correctly recorded in the AGAR at section 2, line 10 (value should be verified via the DMO website)	n/a	
		Where the Authority has issued loans to local bodies, they should ideally seek <b>signed indemnities from the recipient body</b> , or their members, agreeing to underwrite the loan debt	n/a	
		Inspected for risk and <b>up to date inspection records exist</b>	n/a	
<b>Record of deeds, articles and land register</b> references available?		n/a		

I. Periodic bank account	Bank Rec	Reconciliations were properly carried out during the year.	✓	
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cashbook, supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded.		Whilst IAs are not required to verify the accuracy of detail to be disclosed in the AGAR, this assertion, together with the expectation of most Authorities, effectively requires IAs to ensure that the financial detail reported at <u>section 2 of the AGAR</u> reflects the detail in the accounting records maintained for the financial year. Consequently, IAs should	✓	reviewed
		Ensure that, where annual turnover exceeds £200,000, appropriate records are maintained throughout the year on an Income and Expenditure basis to facilitate budget reporting in that vein	na	
		Ensure that appropriate accounting arrangements are in place to account for debtors and creditors during the year and at the financial year-end	na	
K. If the authority certified itself as exempt from a limited assurance review in the prior year, it met the exemption criteria and correctly declared itself exempt.		IAs should ensure that, all relevant criteria are met (receipts and payments each totalled less than £25,000)	✓	
		the correct exemption certificate was prepared and minuted in accordance with the statutory submission deadline	✓	
		that it has been published, together with all required information on the Authority's website and noticeboard	✓	
L. The authority publishes information on a free to access website / web page, up to date at the time of the internal audit in accordance with any relevant transparency code requirements		This test applies only to those councils covered by the £25,000 <b>External Audit exemption</b> IAs should review the Authority's website ensuring that all required documentation is published in accordance with the <b>Transparency Code</b> .	✓	
		<b>Web Page - Clarity</b>	✓	
M. The authority, during the previous year, correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations.		IAs should acquire / examine a copy of the required " <b>Public Notice</b> " ensuring that it clearly identifies the statutory 30 working day period when the Authority's records are available for public inspection.	✓	
		IAs may also check whether councils have minuted the relevant dates at the same time as approving the AGAR	✓	
N. The authority complied with the publication requirements for the prior year AGAR.		IAs should ensure that the statutory disclosure / publication requirements in relation to the prior year's AGAR have been met as detailed on the front page of the current year's AGAR.	✓	
O. Trust funds (including charitable) - the Council met its responsibilities as a trustee		Confirm that all charities of which the council is a Trustee are up to date with CC filing requirements	n/a	
		that the council is the sole trustee on the Charity	n/a	
		Commission register - that the council is acting in accordance with the Trust deed	n/a	
		that the Charity meetings and accounts recorded separately from those of the council	n/a	
		review the level and activity of the charity and where a risk based approach suggests such, review the Independent Examiners report	n/a	

Item No	Section	Comments	To check on audit	Version	YLCA Doc Properties	Status	Ref	Y/N or N/A	Note
<b>Basic Governance</b>									
1	Standing Orders	<b>NALC Model</b> * To note SR for contracts thresholds <b>The SO may require amendment with the release of the updated FR in 2024</b>	1	Ver 2 April 2022	04/05/2022	AR/BP/SR*		Yes	
2	Financial Regulations	<b>NALC Model 2019 - updated 2022 (Contracts)</b> <b>Be aware that a update is due of the FR, the council should adapt &amp; adopt as soon after release as possible</b>	1	2022	05/09/2022	SR	1	Yes	
4	Code of Conduct	<b>New LGA Code of Conduct 2021, endorsed by NALC</b> All local councils are required to adopt a Code of Conduct.	1	2021	21/05/2021	SR	3	Yes	
11	Members' Registers of Interest	A complete set of up-to-date registers of interest for all current councillors (copy held by Monitoring Officer), and on the website of the local council.	1			SR	4	Yes	
17	Co-option Policy		1		18/09/2019	BP		No	Recommend adopting and placing on web for Transparency
18	Terms of Reference for committees		1			BP		No	Recommend adopting and placing on web for Transparency
21	Publication Scheme under the Freedom of Information Act 2000	Model .	1			SR	6	Yes	
22	Privacy Notices: General	Part of <b>NALC</b> GDPR Toolkit	1	2021	31/05/2022	SR		Yes	
	Privacy Notices: for employees, councillors, volunteers.	Part of <b>NALC</b> GDPR Toolkit	1	2021	31/05/2022	SR		Yes	
24	Data protection/information security policy - GDPR	<b>Nalc Model</b> A policy describing how the council intends to discharge its duties under GDPR. Examples available from YLCA	1		31/01/2020	BP		Yes	
27	Complaints procedure	Requirement of FOIA. (NALC LTN9)	1		13/12/2018	SR		Yes	
	Recording Policy	not in list	1		16/09/2019	BP		No	Recommend adopting and placing on web for Transparency
31	Website Accessibility Statement	Sets out what web site content is and isn't accessible and how users can contact the council for assistance	1			SR	12	Yes	
68	Schedule of charges & fees for council information (see 21)	Publication scheme for charges and fees must be included on the council's website	1			SR	19	Yes	
69	Reserves Policy	The Practitioners Guide provides information regarding reserves,	1			BP		No	Recommend adopting and placing on web for Transparency
80	Grievance procedures	<b>NALC Model</b> . (LTN 22) Guidance is provided in the form of the ACAS Code of Practice on Discipline and Grievance.	1		30/01/2020	BP		No	Recommend adopting and placing on web for Transparency
81	Disciplinary procedures	<b>NALC Model</b> . Guidance is provided (LTN 22) in the form of the ACAS Code of Practice on Discipline and Grievance.	1		31/01/2020	BP		No	Recommend adopting and placing on web for Transparency
89	Business Continuity Plan		1		29/09/2020	BP		No	Recommend adopting and placing on web for Transparency
92	Training Statement of Intent	All councils should have a statement outlining the Continuous Professional Development (CPD) training requirements for councillors and staff for the year.	1		03/08/2020	BP		No	Recommend adopting and placing on web for Transparency