

**Internal Audit Check list**

Payments	Yes	No	Comment
Cheques signed after approved in minutes	Y		Stated within SOs & recorded after Payment Schedule within minutes.
Invoices signed by both signatories and initialled by RFO		N	This is inconsistent. Invoices show one, two or three signatures/initials.
All cheque payments are authorised by two signatories	Y		Stated within SOs & recorded after Payment Schedule within minutes.
The cheque counterfoil initialled by the auditing Member	Y		Sample counterfoils presented.
Original bank statement crossed ref to minimum 6 entries to Council documents	Y		
Petty cash checked and balanced to required holding			N/A council does not run a petty cash system.
Banking checked and frequency agrees with Fin. Regs. Guidance	Y		
Charge card statement, checked against receipts/ authorisation and powers	Y		Not all charges are recorded on agenda for ratification.
Direct debit payments agree with authorised list			N/A council has no DDs.
Bank accounts reconciled monthly	Y		
<b>Salaries</b>			
PAYE and NIC paid to HMRC on time?	Y		Whether monthly or quarterly, evidence of submissions must be included.
PAYE and NIC payments agreed to payroll? Agree to bank statement	Y		Payslips are not as transparent as they could be. Example provided to assist. Queried payment of 'Allowance' over and above tax free working from home allowance.
Check pension payments made and agree to schedule			N/A
Evidence that all end of year reporting completed with HMRC	Y		
Check staff annual appraisal completed.			Not checked.
<b>Budget Control</b>			
All payments entered into accounting system/spreadsheets/cashbook accurately with the relevant power	Y		Accounting software package used. Spending powers not recorded, but advised future inclusion.
Payment schedule presented to full council monthly	Y		Evidence that not all payments are recorded on agenda.
All payments within budget	Y		
If not - approval to transfer minuted			
S137 is accounted for separately	Y		However, not evidenced through accounting system, other than S137 grants.
<b>VAT</b>			
The is a separate VAT column on the accounting spreadsheet/system		N	Not shown on accounting information provided. Updated to show VAT column September 2020.
The VAT is claimed regularly (please state frequency & last reclaim date)			April - Sept19 (claim Dec19) & Jan - March 20 (claim June20) presented. So if claimed 6 monthly, this would be a regular frequency.
<b>Income</b>			
Receipts are correctly recorded on accounts system/spreadsheet	Y		A number of items are recorded for which there is no receipt.
Receipts are reconciled against original bank statements	Y		
For funds being transferred between accounts, a virement has been agreed and recorded by the Council			N/A no evidence of transfers in the financial year.
A reconciliation of accounts is presented to Council regularly , and date of last one.	Y		According to minutes - March 2020. No other evidence presented.
<b>Asset Register</b>			
H&S checks completed as per schedule			
All council properties in register and register up to date	Y		
<b>Financial Regulations</b>			
Reviewed and approved annually. Including any new policies		N	FRs based on NALC2014 template. S/b updated to 2020. Evidence of annual review in May meeting, but not recorded as reviewed or approved.
<b>Annual Estimates</b>			
Estimates reviewed by end October	Y		Q1 & 2 budget reviews only presented.
Three year Forecast prepared		N	To consider preparation of end of year 3-year budget (20/21, 19/20, 18/19) & revise year on year.
<b>Audit</b>			
Council have reviewed internal/external auditors comments	Y		Evidenced in minutes.
Council have appointed an Independent Auditor	Y		
Transparency requirements are actioned.		N	Financial recording could be more transparent, in timely payment of invoices, paper trail of all transactions and re-structure of paylips.
<b>Other</b>			
Any other comments: - 1. Clerk provided with details of spending powers. Should be incorporated in to agenda against all items of spend 2. May wish to add to agenda record of receipts received during month. 3. Tighten up timely payment of invoices & ensure every payment is recorded on agenda. 4. Revise format of clerk payslip to make transparent. 5. Recommend the use of online banking.			
Internal Auditor: -	NAME	Elizabeth Cooper	
	Signature		
	Date	06.09.20	