

## Laceby Parish Council

### Internal Audit Checklist

<b>Name of Council</b>	<b>Laceby</b>	<b>Name of Clerk</b>	<b>Nicola Ashton</b>
<b>No of Councillors</b>	<b>10/10 seats</b>	<b>Name of RFO (if not Clerk)</b>	
<b>Quorum</b>	<b>4</b>	<b>Precept</b>	<b>£41,631</b>
<b>Electorate</b>	<b>2708</b>	<b>Gross budgeted income</b>	<b>£52,300</b>

<b>1. Bookkeeping</b>			
Ledger maintained and up to date?	Yes		Made available for me to check – no issues
Arithmetic correct?	Yes		Continuing to use Scribe accounting software, so no issues.
Evidence of Internal Control?	Yes		Still emailing all councillors in preparation for discussion at the meetings. Can see discussions have taken place by the minutes.
VAT evidence, recording and reclaimed?	Yes		£18,332.72 to be reclaimed in May. Much higher than in previous years due to the work on the church wall.
Payments supported by invoices, authorised and minuted?	Yes		Filed with minuted when discussions took place, still using the overview document for ease too.
S137 separately recorded and within limits?	Yes		All seen
S137 expenditure of direct benefit to electorate?	Yes		£2,225.50 paid out

<b>2. Due Process</b>			
Standing Orders adopted?	Yes		No changes
Standing Orders reviewed at Annual Meeting?	Yes		Have seen evidence to discuss the new changes at the upcoming May meeting
Financial Regulations adopted?	Yes		Will discuss new regulations at upcoming May meeting
Financial Regulations tailored to Council?	Yes		Always have been, so expect the same going forwards.
Adequate internal controls for payments?	Yes		Control process is: discuss, propose payment, signed off and payment made. All evidenced.
List of members interests held?	Yes		List updated for existing councillors and new councillors generate list on inception.

Agendas signed, informative and published with 3 clear days' notice?	Yes		Displayed on notice board, listed on website and emailed to councillors
Purchase orders/confirmations raised for all expenditure?	Yes		Proposed expenditure discussed at meeting, two quotes provided (where possible) then discussed and agreed at meeting. Before payment made must have receipt of invoice and an inspection of the works needs to have been carried out.
Legal powers identified in minutes and or cashbook?	Yes		Evidenced by minutes.
Committee Terms of Reference and reviewed?	Yes		Personnel Committee is the only one.

3. Risk Management			
Does scan of minutes reveal any unusual activity?		No	Looked through the minutes online, so plenty of time, no issues or concerns
Annual risk assessment carried out?	Yes		Usual year end assessment carried out and minuted. Including new church wall.
Insurance cover in place and appropriate?	Yes		Continuing with Zurich as it was a 3-year policy.
Evidence of annual insurance review?	Yes		Discussed but with it being a 3-year policy and being adequate, then the agreement was to renew.
Internal financial controls documented and evidenced?	Yes		Financial controls reviewed annually, multi-authorisation needed, and a printout of the payment needed for records.
Minutes initialled each page and overall signed?	Yes		Looked through the minutes folder during the audit – no issues
Regular reporting of bank balance?	Yes		Banking reported quarterly for balancing purposes but also being discussed monthly.

4. Budget			
Annual budget to support precept?	Yes		Sent through before audit, giving plenty of time for review.
Has budget been discussed and adopted by Council?	Yes		January 2025 minutes
Any reserves earmarked?	Yes		Churchyard wall now finished.
Any unexplained variances from budget?		No	None
Precept demand correctly minuted?	Yes		January 2025

5. Payroll - Clerk			
Contract of employment?	Yes		No change to Clerk or contract from last year.

Tax code issued?	Yes		Using BR tax code as main employment held elsewhere.
PAYE/NI evidenced?	Yes		Continuing using the services of Smethurst for this.
Has Council approved salary paid?	Yes		Paid standard clerk pay.
Any other payments reasonable and approved by Council?	Yes		Usual agreed allowance for mileage and small petty cash items.

6. Payroll - Other			
Contracts of employment?	Yes		Yes – recruited new groundkeeper, no change to litter picker.
Does Council have public liability cover?	Yes		Employer and PI cover in place.
Tax codes used?	Yes		Using Smethurst so all coordinated correctly.
Minimum wages paid?	Yes		Paid national living wage.
Pension obligations met?	Yes		Groundskeeper in pension scheme
Complaints procedures in place?	Yes		Held in HR files

7. Asset Control			
Does Council keep a register of all material assets owned?	Yes		Emailed prior to the audit
Is asset register up to date?	Yes		March 2025
Value of individual assets included?	Yes		Even includes the new church wall
Inspected each year and reviewed?	Yes		evidenced
Records of deeds, articles etc. kept?	Yes		All copies help

8. Cemetery			
Are bookings recorded and handled appropriately?	Yes		Separate register used, this shows booking, specific requests/requirements and payments due/received. Ongoing cloud backups. Old records are still being updated to ensure accuracy.
Are payments recorded and actioned?	Yes		Shown during the booking recording process
Are regulations complied with including PC's own rules and regulations?	Yes		Being adhered to and ongoing reviews if needed.

9. Allotments			
Are tenancy agreements issued yearly?	Yes		Continued with the stated assumption that payment of fees meant agreement to terms. No issues
Are rents collected appropriately and banked?	Yes		Most continuing to be paid by BACS (preferred method) but still a few insisting on paying by cheque or cash. Did have quick discussion on cash handling.

Are the PC's own regulations complied with?	Yes		Individual plots insured via the allotment association.
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10. Bank Reconciliations			
Is there a bank rec for each account?	Yes		Not shown in minutes since October meeting, but back on track
Reconciliations carried out at least quarterly?	Yes		Missing one since October BUT full reconciliation and account balancing has been carried out – evidence sent.
Any unexplained balancing entries in reconciliation?		No	none

11. Year End Procedures			
Year-end accounts prepared on correct accounting basis?	Yes		All produced by the Scribe accounting software. All pages signed/initialled.
Bank statements and ledger reconcile?	Yes		Evidenced
Underlying financial trail from records to presented accounts?	Yes		Evidenced
Has Council agreed, signed and minuted sections 1 and 2 of the Annual Return?		No	Will be completed at the May meeting hopefully

12. Miscellaneous			
Have points raised at last audit been addressed?	Yes		Continuing issues with the AGAR form, but this is confusing and only out by 1 day. Only the one Chair during this year.
Has the Council adopted a Code of Conduct after July 2012?	Yes		In place
Are all electronic files backed up?	Yes		Continuing with use of the cloud
IS GDPR being complied with?	Yes		Ongoing discussions to ensure nothing slips through the GDPR net
Do arrangements for public inspection of Council's records exist?	Yes		All available online
Is the Council's gross annual turnover less than £25k (net of VAT) and if so, has it complied with the Smaller Authorities Regulations 2015?			N/A

### Any further additional comments/ notes from Auditor:

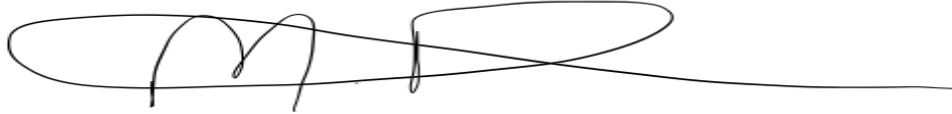
Clerk made thing easy for the audit, items were made available before and during the audit meeting, and many available to view online.

Again, the AGAR issue, but as commented above, not major and Clerk is trying to get a full understanding of this.

No other issues raised.

Internal Audit carried out by: Mark Peterson

Date: 06<sup>th</sup> May 2025

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Signed:

Report sent to Council – signed by the Clerk:

Report received by Council – signed by the Chairman: