



Lincolnshire Association of Local Councils Internal audit checklist 2021/22

Name of Parish or Town Council		Hundleby Parish Council	
Parish Council website		Hundleby.parish.lincolnshire.gov.uk	
Name of internal auditor		Victoria Clark	
Date of audit		4 May 2022	
Type of audit Please select		Intermediate	Year-end (including AGAR)
Council contact information		Name Jane Slaymaker	Email clerk.hundleby.pc@gmail.com
Clerk		Jane Slaymaker	As above
RFO if different		As above	
Chairman		David Cartwright	
Electorate	369	Total number of seats	8
Quorum	3	Number of councillor vacancies	0
Precept Demand 2021/22	4536	Gross budgeted Income	4536
Date of most recent audit	4 November 2021	Date of next audit agreed with Clerk	TBO
	Y/N	Comments	
Has the internal auditor seen previous audit reports including the most recent?	Y	Website	
Is there evidence that previous internal and external audit reports have been acted upon?	Y	There is now an asset register on the website	

Key governance review		Y/N	Comments & recommendations	Risk		
				Low	Med	High
1	Standing orders (tailored and reviewed)	Y	On website – Last revised 2020	X		
2	Financial regulations (tailored and reviewed)	Y	On website – next review May 2022	X		
3	Terms of reference (committees / working groups)	Y/N	Planning committee on website All committees should have one		X	
4	Code of Conduct (elected members)	Y	On website	X		
5	Complaints procedure (tailored and reviewed)	Y	On website	X		
6	Insurance Cover <ul style="list-style-type: none"> • Reviewed annually • Certificate(s) viewed & valid • Employees' Liability Cover in place and published • Public Liability Cover • Employees' Fidelity Guarantee • Councillors' ages reviewed and recorded • Other eg vehicles, assets, equipment, volunteers ... 	Y	On website	X		

Transparency		Y/N	Comments & recommendations	Risk		
				Low	Med	High
7	Internal controls (statement or review)	Y	Financial regs & Standing orders		X	
8	Investment strategy	N/A	No investments	X		
9	Publication scheme (reviewed)	Y	No review date		X	
10	Risk assessment (statement or review)	N/Y	There is a fire risk assessment on the website Other risk assessment needed		X	
11	Pay policy (staffing - reviewed)	Y	Clerk was a councillor so no pay for 12 months. Needed for when Clerk gets paid	X		
12	Spending authorised	Y		X		
13	Procurement correctly administered	Y		X		
14	Land and assets (reviewed)	Y		X		
15	Adequate GDPR policy / procedures in place	Y		X		
16	Arrangement for inspection of public records adequate	Y		X		
Transparency codes mandatory for councils with turnover under £25k and over £200k						
17	All items of expenditure above £100 published by 1 July	Y	On agenda and Minutes	X		
18	End of year accounts published by 1 July	Y	On website	X		
19	Annual Governance statement published by 1 July	Y	On website	X		
20	Internal audit report published by 1 July	Y	On website	X		
21	Councillor responsibilities published by 1 July	Y				
22	Asset register published by 1 July	Y		X		
23	Agendas and meeting papers published within three clear days	Y		X		

24	Draft minutes published within one month of the meeting	Y		X		
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Accounting		Y/N	Comments & recommendations	Risk		
				Low	Med	High
25	Cashbook maintained and up to date	Y		X		
26	Arithmetically correct (checks / balance)	Y		X		
27	Evidence of internal control	Y	Finance committee	X		
28	VAT • evidence of recording • evidence of reclaiming	Y		X		
29	All payments supported by authorised, minuted invoices	Y	Agenda needs to show payments and receipts		X	
30	s.137 • Recorded separately within accounts • Within legal threshold limits for the current year • Spend in accordance with legislation	N	No Separate column for S137, uses scribe accounts and can pull off an S137 report	X		
31	Payments made in accordance with financial regulations • Cheques • Online banking • BACS • Direct Debit • Credit or debit cards • Other payments	Y		X		

Budget		Y/N	Comments & recommendations	Risk		
				Low	Med	High
32	Annual budget in support of precept	Y		X		
33	Precept demand properly minuted	Y	October 2021 mtg	X		
34	Earmarked reserves reviewed	Y		X		
35	Budget is monitored regularly with variances reported to council in line with financial regulations	Y		X		

Income control		Y/N	Comments & recommendations	Risk		
				Low	Med	High
36	Income properly recorded and banked promptly	Y	Agenda should show it	X		
37	Precept income received in bank account	Y		X		
38	Effective security of cash and cash transactions	N/A		X		
38	Effective security of card transactions	N/A		X		

Bank reconciliation		Y/N	Comments & recommendations	Risk		
				Low	Med	High
39	Regular bank statement reconciliation	Y		X		
40	Balancing entries (adjustments) explained	Y		X		
41	Bank mandate up to date • Evidence of signatories					

Petty cash		Y/N	Comments & recommendations	Risk		
				Low	Med	High
42	Petty cash account used/authorised	N/A		N/A		
43	Petty cash spending supported by VAT receipt(s)	N/A		N/A		
44	Petty cash reported to Council	N/A		N/A		
45	Petty cash float reconciled/reimbursed	N/A		N/A		
46	Other	N/A		N/A		

Year-end process		Y/N	Comments & recommendations	Risk		
				Low	Med	High
47	Accounting according to • Income and expenditure • Receipts and payments					
48	Bank statements reconcile to ledger					

49	Robust audit trail evident				
50	Debtors and creditors recorded				
51	Other				

Asset control		Y/N	Comments & recommendations	Risk		
				Low	Med	High
52	Register of assets <ul style="list-style-type: none"> • Reviewed • Up to date 	Y		X		
53	Assets inspected and Health & Safety issues considered <ul style="list-style-type: none"> • Play equipment • Street furniture • Fire safety • Defibrillators • Other 	Y		X		

Risk management		Y/N	Comments & recommendations	Risk		
				Low	Med	High
54	Evidence of unusual activity from minutes	N		X		
55	Annual risk assessment undertaken as a minimum	N	Only a fire risk assessment has been completed in 2021		X	
56	Financial controls and procedures documented	Y		X		
57	Regular financial reporting to Council in line with Financial regulations	Y	By finance committee	X		
58	Reporting of bank balances minuted	Y		X		
59	Grants ratified and minuted according to policy	Y		X		

General		Y/N	Comments & recommendations	Risk		
				Low	Med	High
60	GPC <ul style="list-style-type: none"> • Council eligible • GPC adopted 	N		X		
61	Back up of files adequate					
62	Storage of files (paper and electronic) adequate					
63	Local Council Award Scheme	N		X		

	<ul style="list-style-type: none">• Foundation• Quality• Quality Gold					
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Proper Process / Practice		Y/N	Comments & recommendations	Risk		
				Low	Med	High
64	Employee posts properly recorded <ul style="list-style-type: none"> • Proper Officer (Clerk) • RFO • Deputy Clerk • Admin assistant • Site staff • Other 	Y		X		
65	List of Members' interests <ul style="list-style-type: none"> • displayed on website • reviewed regularly 	Y/N	Wilkinson and White not on ELDC site			X
66	Declarations of acceptance of office <ul style="list-style-type: none"> • New councillor • Chairman 	Y		X		
67	Co-options according to policy	Y		X		
68	Agenda documents correct					
69	Minutes correct / signed					
70	Purchase order system used/correct	Y	On Scribe			
71	Purchasing authorised in line with Financial regs / limits	Y		X		
72	Council operating within legal powers <ul style="list-style-type: none"> • Legal powers identified in minutes 	Y/N	Not recorded in minutes		X	
73	Delegation to officers or committees <ul style="list-style-type: none"> • Scheme of delegation • Limits set out in financial regulations and / or standing orders; • adhered to; • reported adequately 	N				

Payroll & HR		Y/N	Comments & recommendations	Risk		
				Low	Med	High
74	Contracts of employment for all staff	N	Clerk is ex councillor so no pay for 12 months - To be put in place	X		
75	Written statement of particulars for all staff from day one (April 2020 onwards)	N	As above	X		
76	Proper procedures for payroll, PAYE & NI	N	As above	X		
77	PAYE & NI payments verified	N	As Above	X		
78	Approval of salaries and increments	N	As above	X		
79	Approval of expense claims	Y		X		
80	Minimum wage threshold met	N/A	As Above	X		
81	HR procedures and policies adopted / reviewed	N	As above	X		
82	Training policy and record staff /elected Members	N	This would be very helpful		X	
83	Qualified Clerk <ul style="list-style-type: none"> • CiLCA 2015 or later • Level 4 Community Governance or higher 	N			X	
84	Annual appraisal undertaken	N/A				
85	Job description up to date / reviewed	N	To be adopted	X		
86	Health and safety of staff workstation & PC equipment undertaken <ul style="list-style-type: none"> • Display Screen Equipment 	N	To be checked		X	

Transaction spot check

Check number	1	2	3	4	5	6
Ledger date						
Item / budget heading						
Reference / Cheque number						
Order minute reference						
Delivery evidence						
Payment minute reference						
Invoice value						
Minute value						
Payment value						
Statement value						
Timely payment						
VAT recorded						
S137 recorded in ledger						
S137 minuted						
Notes						

Appendix: additional areas for audit

	Allotments	Y/N	Comments & Recommendations	Risk		
				Low	Med	High
A1	Income for allotment rentals balance					
A2	Fees charged in accordance with approved rates					
A3	Up to date occupancy details kept and securely retained					
A4	Agreements/licences issued to all plot holders	Y	Being updated		X	
A5	Other					

	Burials	Y/N	Comments & Recommendations	Risk		
				Low	Med	High
B1	Cemetery accounts balance	N/A		N/A		
B2	Fees charged in accordance with approved rates					
B3	All interred ashes have certificates of cremation					
B4	Permits properly documented and stored					
B5	Cemetery regulations adopted and up to date					
B6	Registers of burials and purchased graves completed correctly and stored safely					
B7	Burial certificates issued correctly					
B8	Green slips returned appropriately to Registrar					
B9	Legible cemetery burial plan up to date <ul style="list-style-type: none"> backed up if appropriate 					
B10	Business rates exemptions correctly applied					

	Charities	Y/N	Comments & Recommendations	Risk		
				Low	Med	High
C1	Accounted for separately	N/A				
C2	Independently audited					
C3	Returns filed within legal time limits					

	Community buildings	Y/N	Comments & Recommendations	Risk		
				Low	Med	High
Cb1	Hall	Y				
Cb2						
Cb3						

	Markets	Y/N	Comments & Recommendations	Risk		
				Low	Med	High
M1	Income for stall hire balances	N/A				
M2	Fees charged in accordance with approved rates					
M3	Up to date occupancy details kept and securely retained					
M4	Statutory records kept / stored safely					
M5	Agreements/licences issued to all stall holders					
M6	Other					

	Other	Y/N	Comments & Recommendations	Risk		
				Low	Med	High
O1						
O2						
O3						