

ANNUAL INTERNAL AUDIT – Farlam PC 2022-23

SUBJECT	TEST	SATISFACTORY?	NOTES	REPLY
Standing Orders	1. Has the Council Committee formally adopted standing orders and financial regulations?	Yes, Minuted 009/22		
	2. Have levels of delegation been correctly authorised?	Yes		
	3. Have items or services above a deminimis amount been competitively purchased?	Yes	Approval sought - limits a place.	
Risk management arrangements	1. Do the minutes record the Council carrying out annual risk assessments?	Yes		
	2. Are financial controls documented and regularly reviewed?	Yes.	Reviewed annually	
Income controls	1. Does the precept recorded in the cash-book agree to the District Council's notification?	Yes.		
	2. Are security controls over cash adequate and effective?	N/A	No cash movement	
Budgetary Controls	1. Has the Council prepared an annual budget in support of its plans?	Yes.		
Payroll Controls	1. Do salaries paid agree with those approved by the Council?	Yes		
	2. Are other payments to the Clerk reasonable and approved by the Council?	N/A	No other payments	
	3. Has PAYE/NIC been properly operated by the Council?	Yes	HMRC PAYE online.	

<p>Assets Control</p>	<p>1. Are the Assets/Property Registers up to date? 2. Is insurance cover appropriate and adequate?</p>	<p>Yes Yes.</p>	<p>Schedule of Fixed Assets seen</p>	
<p>Year End Procedures</p>	<p>1. Are year-end accounts prepared on the correct accounting basis? 2. Do accounts agree with the cash book? 3. Is there an audit trail from underlying financial records?</p>	<p>Yes. Yes Yes</p>		
<p>Bookkeeping</p>	<p>1. Is the cash book maintained & up to date? 2. Is the cash book arithmetically correct? 3. Is the cash book regularly balanced? 4. Are receipts & invoices easily identified in cash book? 5. Are there vouchers for all transactions?</p>	<p>Yes. Yes Yes. Yes Yes.</p>	<p>Numbered.</p>	
<p>Payment Controls</p>	<p>1. Are payments in the cash book supported by invoices, authorisation (person or minutes)? 2. Is s137 expenditure separately recorded and within statutory limits?</p>	<p>Yes. N/A.</p>		
<p>Risk Management Arrangements</p>	<p>1. Does a scan of the minutes identify any unusual financial activity?</p>	<p>No.</p>	<p>No unusual activity.</p>	

Statement of Account	1. Is the monthly statement of account presented to the Council?	Yes.	Bi-monthly.	
Budgetary Controls	1. Is actual expenditure against the budget regularly reported to the Council?	Yes.		
	2. Are there any significant variances from the budget? Have these been explained?	No.	No significant differences.	
Income Controls	1. Is income properly recorded and promptly banked?	Yes.	When required	
Petty Cash Procedures	1. Is all petty cash spent recorded and supported by invoices/receipts?	N/A		
	2. Is petty cash expenditure reported to each Council meeting?	N/A.		
Bank Reconciliation	1. Is bank reconciliation carried out regularly on the receipt of statements? (Monthly and by someone other than the Clerk)	Yes	Bi-monthly	
	2. Are there any unexplained balancing entries in any reconciliation?	No	All reconciled	
Software Control	1. Are back up disks used? Where are they stored?	Back ups	USB + One Drive.	

Prepared By Internal Auditor... J Batey

Date 10/05/2023

Replies approved by... C. J. MARSH Council member

Date 10/5/23

<p>Reconciliation Bank</p>	<p>Is bank reconciliation carried out monthly and by someone other than the recipient of the receipts of statements?</p>	<p>yes</p>	<p>yes</p>	<p>yes</p>
<p>Procurement</p>	<p>Is every contract expenditure reported to the council?</p>	<p>yes</p>	<p>yes</p>	<p>yes</p>
<p>Controls</p>	<p>Are there any controls in place to ensure that all council expenditure is properly recorded and reported to the council?</p>	<p>yes</p>	<p>yes</p>	<p>yes</p>
<p>Controls</p>	<p>Are there any controls in place to ensure that all council expenditure is properly recorded and reported to the council?</p>	<p>yes</p>	<p>yes</p>	<p>yes</p>
<p>Account statements</p>	<p>Are account statements presented to the council monthly?</p>	<p>yes</p>	<p>yes</p>	<p>yes</p>

CM (signature)