

ANNUAL INTERNAL AUDIT – Farlam PC 2021-22

SUBJECT	TEST	SATISFACTORY?	NOTES	REPLY
Standing Orders	<p>1. Has the Council Committee formally adopted standing orders and financial regulations?</p> <p>2. Have levels of delegation been correctly authorised?</p> <p>3. Have items or services above a de minimis amount been competitively purchased?</p>	<p>Yes</p> <p>Yes</p> <p>Yes - all competitive - 3 quotes</p>		
Risk management arrangements	<p>1. Do the minutes record the Council carrying out annual risk assessments?</p> <p>2. Are financial controls documented and regularly reviewed?</p>	<p>Yes</p> <p>Yes.</p>	Minute 090/21	
Income controls	<p>1. Does the precept recorded in the cash-book agree to the District Council's notification?</p> <p>2. Are security controls over cash adequate and effective?</p>	<p>Yes</p> <p>Yes.</p>	Identified in working papers	
Budgetary Controls	<p>1. Has the Council prepared an annual budget in support of its plans?</p>	<p>Yes</p>		
Payroll Controls	<p>1. Do salaries paid agree with those approved by the Council?</p> <p>2. Are other payments to the Clerk reasonable and approved by the Council?</p> <p>3. Has PAYE/NIC been properly operated by the Council?</p>	<p>Yes</p> <p>Yes</p>	Minute 089/21.2 as per NJC Guidelines and referenced to basic PAYE tools	

Assets Control	<p>1. Are the Assets/Property Registers up to date?</p> <p>2. Is insurance cover appropriate and adequate?</p>	<p>Yes</p> <p>Yes</p>		
Year End Procedures	<p>1. Are year-end accounts prepared on the correct accounting basis?</p> <p>2. Do accounts agree with the cash book?</p> <p>3. Is there an audit trail from underlying financial records?</p>	<p>Yes.</p> <p>Yes</p> <p>Yes.</p>	Receipts + payments	
Bookkeeping	<p>1. Is the cash book maintained & up to date?</p> <p>2. Is the cash book arithmetically correct?</p> <p>3. Is the cash book regularly balanced?</p> <p>4. Are receipts & invoices easily identified in cash book?</p> <p>5. Are there vouchers for all transactions?</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	Numbered	
Payment Controls	<p>1. Are payments in the cash book supported by invoices, authorisation (person or minutes)?</p> <p>2. Is s137 expenditure separately recorded and within statutory limits?</p>	<p>Yes</p> <p>Yes</p>	<p>All on agendas for agreement</p> <p>No expenditure however 2021/2022</p>	
Risk Management Arrangements	<p>1. Does a scan of the minutes identify any unusual financial activity?</p>	<p>No.</p>		

Statement of Account	1. Is the monthly statement of account presented to the Council?	Yes	Monthly at meetings.	
Budgetary Controls	1. Is actual expenditure against the budget regularly reported to the Council?	Yes	Quarterly	
	2. Are there any significant variances from the budget? Have these been explained?	Yes	Other income + reserves explained	
Income Controls	1. Is income properly recorded and promptly banked?	Yes		
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	Presented at bi-monthly meeting	
	2. Are there any unexplained balancing entries in any reconciliation?	No.		
Software Control	1. Are back up disks used? Where are they stored?	Yes	One drive - word. usb - excel	

Prepared By Internal Auditor..... J Batey.....

Date..... 27/04/2022.....

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

Date..... 11/5/22.....

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