

**Local Peer Group Audit of Brafferton, Kirby Hill & District, Langthorpe, Marton-le-Moor, Roeclyffe & Westwick and Skelton Parish Councils at Coronation Hall, Boroughbridge on Wednesday 24 April 2019**

**Testing Checklist for Auditor**

- Work through the tests using the Clerk/RFO to locate documents for you.
- Where sampling is called for, take 2 samples.
- Where you are satisfied with the outcome of a test please tick the item or write N/A if the test doesn't apply to the council (No Petty Cash held, for example)
- If you find a fault or a shortcoming (a missing document, figures don't agree, no council rule in place etc) then write your observation in the space provided. Don't be embarrassed at writing observations as these are helpful to the council and show that this audit process is doing its job correctly.

Audit of ..... MARTON LE MOOR ..... Parish Council

**1. Annual Governance and Accountability Return Section 2 (Accounting Statements)**

- 1.1. Do the fixed assets and investments agree with the Assets and Investments register/s?
- 1.2. Check that  $(1+2+3) - (4+5+6) = 7$

All checked .....

**2. Proper Bookkeeping**

- 2.1. Is the cashbook maintained and up to date? ✓
- 2.2. Is the cashbook arithmetic correct? (check samples of data entry [cheque book/pay/precept etc] against cashbook and bank statement) ✓
- 2.3. Is the cashbook regularly balanced? ✓

All checked .....

**3. Standing Orders and Financial Regulations adopted and applied; plus Payments Controls**

- 3.1. Has the council formally adopted standing orders and financial regulations? ✓
- 3.2. Has a Responsible Finance Officer (RFO) been appointed with specific duties? ✓ AGM
- 3.3. Have items or services above the de minimus amount been competitively purchased? (do Standing Orders set a de minimus amount?) ✓
- 3.4. Are payments in the cashbook supported by invoices, authorised and minuted? (follow an 'audit trail' for a sample of transactions from minute book to final voucher, especially any 'large' transactions, say above £500) ✓
- 3.5. Has VAT on payments been identified, recorded and reclaimed? ✓
- 3.6. Is s137 expenditure separately recorded and within statutory limits? (£7.86 x number of electors for FY 2018/19)

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**4. Transparency Code for Smaller Authorities**

- 4.1. Certain documents are now required to be published by law on the internet, these are:
  - 4.1.1. The Annual Governance & Accountability Return (AGAR), Sections 1, 2 & 3 ✓

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4.1.2. The Bank Reconciliation plus Explanation of Variances which accompany the  
AGAR ✓

4.1.3. List of all items of expenditure above £100 ✓

4.1.4. List of councillor or member responsibility ✓

4.1.5. Location of public building and land assets ✓

**5. Risk Management Arrangements**

5.1. Does a review of the minutes identify any unusual financial activity? NO

5.2. Do minutes record the council carrying out an annual risk assessment? YES

5.3. Is insurance cover appropriate and adequate? Are internal financial controls documented and regularly reviewed? ✓

..... All checked .....

**6. Budgetary Controls**

6.1. Has the council prepared an annual budget in support of its precept? ✓

6.2. Is actual expenditure against the budget regularly reported to the council? ✓

6.3. Are there any significant unexplained variances from budget? NO

..... All checked .....

**7. Income Controls**

7.1. Is income properly recorded and promptly banked? ✓

7.2. Does the precept recorded agree with the Council Tax authority's notification? ✓

7.3. Are security controls over cash and near-cash adequate and effective? (are specific systems in place through tickets, receipts and handling of cash etc) NO CASH

..... All checked .....

**8. Petty Cash Procedures (if applicable)**

8.1. Is all petty cash spent recorded and supported by VAT invoices/receipts?

8.2. Is petty cash expenditure reported to each council meeting?

8.3. Is petty cash reimbursement carried out regularly?

..... N/A .....

**9. Payroll Controls**

9.1. Do all employees have contracts of employment with clear terms and conditions?

9.2. Do salaries paid agree with those approved by the council?

9.3. Are other payments to employees reasonable and approved by the council?

9.4. Have PAYE/NIC been properly operated by the council as an employer?

..... N/A .....

**10. Assets Controls**

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10.1. Does the council maintain a register of all material assets owned or in its care? (are the values of assets the 'book' value at purchase?) ✓

10.2. Are the Assets and Investments registers up to date? ✓

10.3. Do asset insurance valuations agree with those in the asset register?

No but valid reasons as to why  
All checked

**11. Bank Reconciliation**

11.1. Is there a bank reconciliation for each account? ✓

11.2. Is a bank reconciliation carried out regularly and in a timely fashion? ✓

11.3. Are there any unexplained balancing entries in any reconciliation? NO

11.4. Is the value of investments held summarised on the reconciliation? N/A

All checked

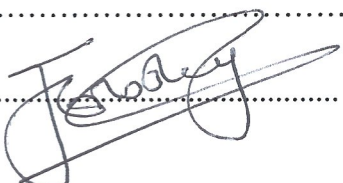
**12. Year-end Procedures**

12.1. Are yearend accounts prepared on the correct accounting basis (Receipts and Payments or Income and Expenditure)? (local councils operating below the £200,000 threshold have the option to report either on an income and expenditure basis or on a receipts and payments basis while those above must use the income and expenditure basis).

12.2. Do accounts agree with the cashbook? ✓

12.3. Can adjustments, transfers, contra entries etc be fully justified? N/A

12.4. Where appropriate, have debtors and creditors been properly recorded? N/A

 Signed JANE E. MOSLEY PRINT NAME

**Now also complete and sign the Annual internal Audit Report 2018/19 in the Annual Governance and Accountability Return.**

Thank you, your task is complete!

Hand this document to the Clerk/RFO who you've audited.