



Lincolnshire Association of Local Councils
Internal Audit Checklist 2024/25

Name of Parish or Town Council		Ruskington Parish Council			
Parish Council website		https://ruskington.parish.lincolnshire.gov.uk/			
Name of internal auditor		Steve Fletcher			
Date of audit		27th March 2025 (office visit) / 1st March 2025 to 28th March 2025 (website review)			
Type of audit		Intermediate	✓	Year-end (including AGAR)	✓
Council contact information		Name		Email	
Clerk		Kathry Locke		clerk@ruskington-pc.gov.uk	
RFO* if different		Kirsty Sinclair		rfo@ruskington-pc.gov.uk	
Chairman*		Cllr Owen Ditch		cllrditch@ruskington-pc.gov.uk	
Electorate	4269	Total number of seats		Thirteen.	
Quorum	5	Number of seats filled at time of audit		Nine. 4 vacancies are noted	
Precept Demand 2024/25	£ 276,386.05	Gross budgeted Income		£ 12,831.00	
Date of most recent audits	March 2024 (intermediate) & June 2024 (year-end).	Gross budgeted Expenditure		£ 289,217.05	
		Tested?	Comments		
Has the internal auditor seen previous internal and external audit reports including the most recent? What were the main recommendations?		Y	Accessed via website		
Were the auditor reports and actions implemented? Have the actions appeared in the minutes? (JPAG The Practitioners' Guide para 4.26)		Y	Evidenced – minutes / website		

Key governance review		Tested?	Comments & recommendations	Risk ⁱ		
				Low	Med	High
1	Standing Orders (up to date, tailored, reviewed and lawful)	Y	Reviewed May 2024	✓		
2	Financial Regulations* (up to date (at least 2019 or 2024 version), tailored, reviewed and lawful)	Y	Reviewed June 2024	✓		
3	Terms of reference (committees / working groups) (Agenda - clear days' notice, quorum, no individual councillors making decisions)	Y	Evidenced website	✓		
4	Councillors' Code of Conduct*	Y	Reviewed May 2024	✓		
5	Complaints procedure* (tailored and reviewed)	Y	Reviewed November 2024	✓		
6	Insurance Cover <ul style="list-style-type: none"> Reviewed annually for levels of cover. Certificate(s) viewed & valid. Employees' Liability Cover in place and published*. Public Liability Cover. Employees' Fidelity Guarantee. Councillors' ages reviewed and recorded (some policies restrict some or all cover over certain ages). Other e.g. vehicles, assets, equipment, volunteers ... Compare schedule against asset register and ensure adequate insurance is in place for items to be covered. Property Valuations (including rebuild costs) undertaken to ensure adequate cover. Public liability insurance must match the PLI for any delegated services, assets (£10million) Any insurance claims during the previous 12 months which may affect the policy and valuations and cover. 	Y	Policy 01.06.2024 to 31.05.2025	✓		
		Y	Evidenced – files / minutes	✓		
		Y	Evidenced – files / office	✓		
		Y	Evidenced – files	✓		
		Y	Evidenced – files	✓		
		Y	Evidenced – files	✓		
		Y	Evidenced – files	✓		
		Y	Evidenced – files	✓		
		Y	Evidenced – files	✓		
7	General Power of Competence (decision compliant with S.1-8 Localism Act 2011 and 'The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012'). <ul style="list-style-type: none"> Date and minute reference GPOC adopted Qualified Clerk? (CiLCA 2015 or later or Level 4 Community Governance or higher qualifications seen Two-thirds elected councillors at the time of adoption during the current cycle. 	Y	CiLCA qualified Parish Clerk and CiLCA qualified RFO. Council inquorate when previously considered	✓		
8	Publication scheme (based on the ICO model template) (up to date, tailored, reviewed and lawful) and published on the council website*	Y	Evidenced website – reviewed July 2024	✓		

9	GDPR policies in place* <ul style="list-style-type: none"> Record Retention Schedule Data Breach Assessment Process for dealing with a Subject Access Request Security Compliance Checklist 	Y	Evidenced website	✓		
10	Arrangement for inspection of public records adequate* (<i>Announcement at least one day after parish council approval, announcement at least one day ahead of inspection period, minuted approval by council of inspection period dates - 30 working days including first 10 working days of July</i>).	Y	Evidenced website	✓		
11	External audit report published by 30 Sept (<i>not applicable to councils validly certified as 'Exempt'.</i>)*	Y	Evidenced website	✓		
12	Website Accessibility Statement reviewed and published online* https://www.gov.uk/guidance/accessibility-requirements-for-public-sector-websites-and-apps	Y	Evidenced website	✓		

Transparency		Tested?	Comments & recommendations	Risk		
				Low	Med	High
13	End of year accounts published by 1 July*	Y	Evidenced website	✓		
14	Annual Governance statement published by 1 July* Correctly claimed exemption from audit (if relevant)	Y	Evidenced website	✓		
15	Documents listed on front page of AGAR form published as specified.	Y	Evidenced website	✓		
16	Agendas and meeting papers published with three clear days' notice for parish/ town council meetings*	Y	Evidenced website	✓		
17	Past 5 years of annual returns available online*	Y	Evidenced website	✓		
18	Asset register published by 1 July*	Y	Evidenced website	✓		

ICO Model Publication Scheme expected requirements:		Tested?	Comments & recommendations	Risk		
				Low	Med	High
19	All items of expenditure above £100 published by 1 July (over £500 for larger Councils)	Y	Evidenced website	✓		
20	Councillor responsibilities published by 1 July	Y	Evidenced website	✓		
21	Draft minutes published within one month of the meeting	Y	Evidenced website	✓		
Councils over £200K turnover:						
22	Senior officer salaries published*	Y	Evidenced website	✓		
23	Data on issues important to local people (e.g. subsidised trade union activity, projects, parking, grants)*	Y	Evidenced website	✓		
24	Procurement information over £5,000 published*	Y	Evidenced website	✓		

Accounting		Tested?	Comments & recommendations	Risk		
				Low	Med	High
25	Cashbook maintained and up to date	Y	Evidenced – files	✓		
26	Arithmetically correct (checks / balance)	Y	Evidenced – files	✓		
27	Evidence of internal control (compliant with Financial Regulations)	Y	Evidenced – files	✓		
28	VAT* • evidence of recording • evidence of reclaiming	Y	Evidenced – files	✓		
		Y		✓		
29	All payments supported by authorised, minuted invoices	Y	Evidenced – website & files (to 27.03.2025). Cllrs approve all payments.	✓		
30	s.137* (last resort power for non-GPC councils) • Recorded separately within accounts • Within legal threshold limits for the current year • Spend in accordance with legislation	Y	Evidenced – files	✓		
		Y		✓		
		Y		✓		

31	Payments made in accordance with Financial Regulations <ul style="list-style-type: none"> • Online banking • BACS • Direct Debit • Debit cards 	Y	Evidenced – files, invoices, bank statements and supporting documentation.	✓		
32	If Investments total over £100,000 an Investment Strategy has been adopted and ensure long-term investments for 12+ months are recorded in the Asset Register. (TPG 2.25-2.28 & 5.181-5.190)	Y	No investments. Noted – Account with Dudley Building Society (£383 balance).	✓		

Budget		Tested?	Comments & recommendations	Risk		
				Low	Med	High
33	Annual budget in support of precept approved by full council and minuted*	Y	Evidenced minutes / website	✓		
34	Precept demand properly minuted*	Y	Evidenced minutes / website	✓		
35	Earmarked reserves reviewed	Y	The Parish Council does not appear to have adequate reserves.		✓	
36	Budget is monitored regularly with variances reported to council in line with Financial Regulations. Variances from budget explained	Y	Evidenced minutes / website	✓		

Income control		Tested?	Comments & recommendations	Risk		
				Low	Med	High
37	Income properly recorded and banked promptly	Y	Evidenced cashbook	✓		
38	Precept income received in bank account	Y	Evidenced – files / bank statements	✓		
39	Effective security of cash and cash transactions	Y	Evidenced – practices undertaken	✓		
40	Effective security of card transactions	Y	Evidenced – files / bank statements	✓		

Bank reconciliation		Tested?	Comments & recommendations	Risk		
				Low	Med	High
41	Regular bank balances minuted and bank statement reconciliation and signed off by members and minuted.	Y	Evidenced – files / bank statements / minutes	✓		
42	Balancing entries (adjustments) explained	Y	None evident / necessary during period 01.04.2024 to 27.03.2025	✓		
43	Bank mandate up to date -Evidence of signatories reviewed and minuted	Y	Evidenced – files	✓		

Petty cash		Tested?	Comments & recommendations	Risk		
				Low	Med	High
44	Petty cash account used/authorised	Y	Excellent records kept	✓		
45	Petty cash spending supported by VAT receipt(s)	Y		✓		
46	Petty cash reported to Council	Y		✓		
47	Petty cash float reconciled/reimbursed	Y		✓		

Asset control		Tested?	Comments & recommendations	Risk		
				Low	Med	High
48	Register of assets* • Exists • Reviewed and up to date • Published	Y Y Y	Evidenced website / files	✓		
49	Assets inspected and Health & Safety issues considered* • Play equipment • Street furniture • Fire safety (office & store) • Defibrillators • Headstones	Y Y Y Y Y	Checked and recorded by staff members. Excellent record keeping / reporting	✓ ✓ ✓ ✓ ✓		
51	Land and property registered with HM Land Registry. https://www.gov.uk/government/publications/registering-local-authority-land-and-property-with-hm-land-registry/register-local-authority-land-and-property	Y	Evidenced – files	✓		

Risk management		Tested?	Comments & recommendations	Risk		
				Low	Med	High
52	Risk Register / Management scheme in place	Y	Evidenced website / files	✓		
53	Annual risk assessment undertaken as a minimum	Y	Evidenced website / files	✓		
54	Financial controls and procedures documented	Y	Evidenced website / files	✓		
55	Regular financial reporting to Council in line with Financial Regulations	Y	Evidenced website / files	✓		
56	Grants ratified and minuted according to policy	Y	Evidenced website / files	✓		
57	Evidence of unusual activity from minutes	Y	Evidenced website / files	✓		

General		Tested?	Comments & recommendations	Risk		
				Low	Med	High
58	Back up of files adequate	Y	Cloud	✓		
59	Storage of files (paper and electronic) adequate	Y	Evidenced – adequate safe storage for documents and fireproof storage.	✓		
60	Local Council Award Scheme applicable? • Foundation • Quality • Quality Gold	Y	Council has previously considered	✓		
61	Registered with Information Commissioner's Office (if relevant)	Y	Evidenced - files & ICO website	✓		

Proper Process / Practice		Tested?	Comments & recommendations	Risk		
				Low	Med	High
62	Employee posts properly approved/ recorded/ correct job descriptions in place for each post holder and amendments are confirmed by letter. • Proper Officer (Clerk) • RFO • Administration Assistant • 2 x Caretakers / 1 x Cleaner	Y Y Y Y	Evidenced - files	✓ ✓ ✓ ✓		
63	Public sector IR35 rules applied where applicable https://www.gov.uk/guidance/off-payroll-working-for-clients	Y	Adequate proof	✓		

64	Right to work checks for employees completed https://www.gov.uk/check-job-applicant-right-to-work	Y	Adequate proof	✓		
65	List of Members' interests* <ul style="list-style-type: none"> displayed on council website /link to District Council reviewed regularly (<i>Members have a statutory requirement to complete and report changes within 28 days of change</i>) Interests declared in meetings and members follow Standing Orders and Code of Conduct Dispensations approved as set out in Standing Orders and minuted. 	Y Y Y Y	Evidenced – website Evidenced - minutes Evidenced – minutes Evidenced - minutes	✓ ✓ ✓		
66	Declarations of Acceptance of Office* <ul style="list-style-type: none"> Councillor (after election/ co-option) Chair (at least annually) 	Y Y	Evidenced files Evidenced files	✓ ✓		
67	Co-options (after eligibility and disqualification checks) approved by council by a vote, minuted and according to policy	Y	Evidenced minutes	✓		
68	Agenda documents lawful and published*	Y	Evidenced – website	✓		
69	Minutes lawful and published/ hard copy signed* <ul style="list-style-type: none"> - Apologies noted or resolved to be accepted? - A member absent for 6 months handled correctly? - Minutes sequential? - Members present and not present recorded - Interests correctly minuted and members leave room in accordance with Code of Conduct and Standing Orders (Ss27-33 Localism Act 2011) - Dispensations applied for and granted in accordance with Standing Orders (S.33 Localism Act 2011) - Resolutions are minuted and stated with clarity. 	Y Y Y Y Y Y Y	Evidenced – website / minutes	✓ ✓ ✓ ✓ ✓ ✓		
70	Confidential items correctly used and resolutions minuted and published <i>Public Bodies (Admission to Meetings) Act 1960 S.1(2)</i>	Y	Evidenced – website / minutes	✓		
71	Council-owned email address account in place <i>TPG 1.26</i>	Y	Evidenced - website	✓		
72	Purchase order system used/correct	Y	Verbal and email	✓		
73	Purchasing authorised in line with Financial Regulations / limits	Y	Evidenced files / minutes	✓		

74	Council operating within legal powers* Best practice to include legal power in resolutions of council.	Y	No evidence of illegal activities	✓		
75	Delegation to officers or committees <ul style="list-style-type: none"> • Lawful delegation (an individual councillor does not have decision-making powers – S.101 Local Government Act 1972) • Limits set out in financial regulations and / or standing orders or policies or schemes of delegation; • adhered to; • reported adequately 	Y Y Y Y	Evidenced files / policy / minutes / website	✓ ✓ ✓ ✓		

Payroll & HR		Tested?	Comments & recommendations				Risk		
							Low	Med	High
76	Written statement of particulars for all staff from day one (April 2020 onwards) https://www.gov.uk/employment-contracts-and-conditions/written-statement-of-employment-particulars and amendments to contracts confirmed in writing*	Y	Evidenced - sample check				✓		
77	Proper procedures for payroll, PAYE & NI registered with HMRC and monthly reporting of RTI and Pensions*	Y	Evidenced - files				✓		
78	Is payroll inhouse or external provider used?	Y	In-house	✓	External	✗	✓		
79	PAYE & NI payments spot checked - calculations	Y	Evidenced - sample check				✓		
80	Employers Allowance – Councils are not eligible – payroll system checked.	Y	Evidenced - files				✓		
81	Approval of salaries and increments minuted	Y	Evidenced – files / minutes				✓		
82	Approval of expense claims	Y	Evidenced - files				✓		
83	Minimum wage threshold met	Y	Evidenced – files. Staff paid on NJC scales				✓		
84	HR procedures and policies adopted / reviewed	Y	Evidenced – files				✓		

85	Training policy and record staff /elected Members	Y	Training noted				✓		
86	Probation review completed for new staff within probation period.	Y	None during this period				✓		
87	Annual appraisals undertaken	Y	Annual appraisals undertaken in April 2024.				✓		
88	Job descriptions up to date / reviewed	Y	Evidenced – files				✓		
89	Health and safety of staff workstation & PC equipment undertaken * • Display Screen Equipment	Y	Undertaken annually				✓		
90	Registered with The Pensions Regulator* Reference number Date of (Re)Declaration of Compliance (every 3 years)	Y	Evidenced – files (ref L75/L16529)				✓		
91	Adequate Pension provision in place to meet statutory requirements https://www.gov.uk/employers-workplace-pensions-rules		LGPS		✗		✓ ✓		
			NEST		✓				
			Other		n/a				
	• Automatic Enrolment for Staff*		Y	✓	N	✗	Evidenced files	✓	
• Opt-Out Evidenced*		Y	n/a	N	n/a	-			

Transaction spot check (Sample test transactions such as largest payment, employee salaries, direct debit, S.137, VAT, Councillors payment, etc)

Check number	1	2	3	4	5	6
Ledger date	02.04.2024	27.06.2024	31.07.2024	27.09.2024	31.12.2024	03.02.2024
Supplier	ICCM	Turnbull	Glendale	LALC	Aurora	Intercounty Truck
Reference number (if applicable)	-	-	-	-	-	-
Referenced in minutes / report	✓	✓	✓	✓	✓	✓
Delivery evidenced	✓	✓	✓	✓	✓	✓
Payment minute reference agrees						
Invoice value	180.00	28.61	538.96	159.00	348.00	115.20
Minute value agrees	✓	✓	✓	✓	✓	✓
Payment value agrees	✓	✓	✓	✓	✓	✓
Statement value agrees	✓	✓	✓	✓	✓	✓
Timely payment	✓	✓	✓	✓	✓	✓
VAT recorded	30.00	4.77	89.83	26.50	58.00	-
S137 recorded in ledger	n/a	n/a	n/a	n/a	n/a	n/a
S137 minuted	n/a	n/a	n/a	n/a	n/a	n/a
Notes	Part of multi-invoice payment	Part of multi-invoice payment	Part of multi-invoice payment	Part of multi-invoice payment	-	-

Year End Process – To be carried out at year end		Y/N	Comments & recommendations	Risk		
				Low	Med	High
92	Accounting method correctly applied <ul style="list-style-type: none"> Income and expenditure – <i>mandatory over £200k for 3 years</i> Receipts and payments 	-	-	-	-	-
93	Bank statement opening and closing balances reconcile to cash book / ledger.	-	-	-	-	-
94	Robust audit trail evident	-	-	-	-	-
95	Debtors and Creditors recorded (I&E accounting method only)	-	-	-	-	-
96	Asset register updated for current and previous year balances	-	-	-	-	-
97	Borrowing – ensure appropriate DMO approval in place and full year accounting is accurate and checked against balance at 31 st March on DMO website. <i>(TPG5.70)</i> <i>Arrangement fees are treated as administrative expenses in year of receipt.</i>	-	-	-	-	-
98	Lending <i>-check if any lending has taken place and is accounted for.</i>	-	-	-	-	-
99	Explanation of Variances completed	-	-	-	-	-
99	Intermediate audit recommendations implemented	-	-	-	-	-
100	Annual Accounting Statement rounding applied/adds up	-	-	-	-	-
101	Trust Funds – ensure account filing responsibilities are up to date and not included in AGAR figures	-	-	-	-	-
102	Previous year 'Restatements' correctly identified	-	-	-	-	-
103	Auditor's recommendations for completion of the Annual Governance Statement <i>(if applicable)</i> and narrative report needed to explain IA Annual Statement's 'No' entries.	-	-	-	-	-

Appendix: Additional Areas for Audit (Council Specific)

	Allotments	Tested?	Comments & Recommendations	Risk		
				Low	Med	High
A1	Income for allotment rentals balance	Y	Evidenced – files (EDGE software)	✓		
A2	Fees charged in accordance with approved rates	Y	Evidenced – files / minutes	✓		
A3	Up to date occupancy details kept and securely retained	Y	Evidenced – files (EDGE software)	✓		
A4	Agreements issued to all plot holders	Y	Evidenced – files (EDGE software)	✓		
A5	Subscription to Industry Advisor	Y	National Allotment Society member	✓		

	Burials	Tested?	Comments & Recommendations	Risk		
				Low	Med	High
B1	Cemetery accounts balance	Y	Evidenced - files	✓		
B2	Fees charged in accordance with approved rates	Y	Evidenced – files / minutes	✓		
B3	All interred ashes have certificates of cremation*	Y	Evidenced - files	✓		
B4	Permits properly documented and stored*	Y	Evidenced - files	✓		
B5	Cemetery regulations adopted and up to date	Y	Evidenced - files	✓		
B6	Registers of burials and purchased graves completed correctly and stored safely*	Y	Evidenced – files. Safely stored in fireproof cabinet.	✓		
B7	Burial certificates issued correctly	Y	Evidenced - files	✓		
B8	Green slips returned appropriately to Registrar	Y	Evidenced - files	✓		
B9	Legible cemetery burial plan up to date* • backed up if appropriate	Y	Evidenced – comprehensive plan viewed	✓		
B10	Business rates exemptions correctly applied	n/a	-	-	-	-

	Buildings and premises	Tested?	Comments & Recommendations	Risk		
				Low	Med	High
B&P1	<i>Premises licence. Fire checks, electrical checks, First Aid, PRS, Water checks, Fire alarms, COSHH, gas inspections, Employer liability and PLI, Fidelity. DEC certificate Is the ownership /lease title registered with Land Registry?</i>	N	Discussed with the Parish Clerk and the RFO	✓		

Endnotes

High and medium risk items may lead to the internal auditor stating that the Council does not comply with one or more assertions on the AGAR form at the end of the financial year.

i High risk – these items should be dealt with as a **high priority** because they may affect one or more of the following – statutory and must be done, high financial risk which could reveal the council to losses, not compliant with Proper Practices in the Practitioners’ Guide, high risk of reputational damage, failure to comply may lead to penalties, prosecution or legal action.

ii Medium risk – these items need to be improved to meet one or more of the following - statutory requirements, support internal control, reduce the risk of financial loss and reputational damage, improve governance, improve compliance with proper practices in the Practitioners’ Guide, and to improve procedures that should be in place.

iii Low risk – these items are usually **best practice** to improve governance, internal control, transparency, efficiency and effectiveness.

*****-Asterisked items are statutory requirements and should be in place where applicable.