

**Proper bookkeeping**

- Is the cashbook maintained and up to date?
- Is the cashbook arithmetic correct?
- Is the cashbook regularly balanced?
- Has the council formally adopted standing orders and financial regulations?
- Have items or services above the de minimus amount been competitively purchased?
- Are payments in the cashbook supported by invoices, authorised and minuted?
- Has VAT on payments been identified, recorded and reclaimed?
- Is s137 expenditure separately recorded and within statutory limits?

**Risk management arrangements**

- Does a review of the minutes identify any unusual financial activity?
- Do minutes record the council carrying out an annual risk assessment?
- Is insurance cover appropriate and adequate?
- Are internal financial controls appropriate, adequate, documented and regularly reviewed?

**Budgetary Controls**

- Has the council prepared an annual budget in support of its precept?
- Is actual expenditure against the budget regularly reported to the council?
- Are there any significant unexplained variances from budget?

**Income Controls**

- Is income properly recorded and promptly banked?
- Does the precept recorded agree to the Council Tax authority's notification?
- Are security controls over cash and near-cash adequate and effective?

**Petty cash procedures**

- Is all petty cash spent recorded and supported by VAT invoices/receipts?
- Is petty cash expenditure reported to each council meeting?
- Is petty cash reimbursement carried out regularly?

**Payroll Controls**

- Do all employees have contracts of employment with clear terms and conditions?
- Do salaries paid agree with those approved by the council?
- Are other payments to employees reasonable and approved by the council?
- Have PAYE/NIC been properly operated by the council as an employer?

**Assets controls**

- Does the council maintain a register of all material assets owned or in its care?
- Are the assets and Investments registers up to date?
- Do asset insurance valuations agree with those in the asset register?

**Bank Reconciliation**

- Is bank reconciliation carried out regularly and in a timely fashion?
- Are there any unexplained balancing entries in any reconciliation?

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- Is the value of investments held summarised on the reconciliation?
- Are there any pre-signed cheques in the council's cheque books?
- Are all bank statements and investment certificates present?

### **Year-end procedures**

- Are year end accounts prepared on the correct accounting basis (Receipts and Payments or Income and Expenditure)?
- Do accounts agree with the cashbook and bank statements?
- Is there an audit trail from underlying financial records to the accounts?
- Where appropriate, have debtors and creditors been properly recorded?