

# Audit Report Year 2022/23

Leyburn

Status - Complete

Period Audited: 1st April 2022 - 31st March 2023

YEAR 22/23

Objective (Automated)	QUESTIONS	Answer	Recommendations
Proper Bookkeeping	Is cashbook maintained and up to date?	Yes the cashbook is maintained regularly	The Standing Orders and Financial Regulations on the website state 2018/2019 as adopted. Suggest a readoption date be added to both documents for clarity for the general public
Proper Bookkeeping	Is cashbook arithmetically correct?	The system used is Scribe which is an auto balancing system and therefore arithmetically correct	
Proper Bookkeeping	Is the cashbook regularly balanced?	The cashbook is balance monthly as a minimum and then the reconciliations are provided and agreed by Council	
A) Standing Orders and Financial Regulations adopted and applied; AND B) Payment Controls	Has the council formally adopted standing orders and financial regulations?	The Council readopted the Standing Order and Financial Regulations May 22	
A) Standing Orders and Financial Regulations adopted and applied; AND B) Payment Controls	Has a Responsible financial officer been appointed with specific duties?	Yes, the RFO has be employed with specific duties	
A) Standing Orders and Financial Regulations adopted and applied; AND B) Payment Controls	Have items or services above the de minimus amount been competitively purchased?	Items chosen over the De Minimus have been explained sufficiently	
A) Standing Orders and Financial Regulations adopted and applied; AND B) Payment Controls	Are payments in the cashbook supported by invoices, authorised and minuted?	Yes, every payment list is authorised at each meeting. Audit trail of a sample checked and found to be correct	
B) Payment Controls			

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A) Standing Orders and Financial Regulations adopted and applied; AND B) Payment Controls	Has VAT on payments been identified, recorded and reclaimed?	Quarterly VAT reclaims processed	
A) Standing Orders and Financial Regulations adopted and applied; AND B) Payment Controls	Is s137 expenditure separately recorded and within statutory limits?	Yes, S137 is reported separately as is within limits. 2043 Electors at a rate of £8.82	
Risk Management Arrangements	Does a review of the minutes identify any unusual financial activity?	No unusual activity identified	
Risk Management Arrangements	Do minutes record the council carrying out an annual risk assessment?	Risk Assessment Completed, reviewed and discussed May 2023 meeting	
Risk Management Arrangements	Is insurance cover appropriate and adequate?	Declared Insurance value is lower than the current value but the Sum Insured is higher and therefore deemed adequate	
Risk Management Arrangements	Are internal financial controls documented and regularly reviewed?	All councillors have read access to scribe and can view the current finances at any time. Once a quarter they look through scribe and select and check a number of transactions. The net position, bank reconciliation statements and all payments / receipts since the last meeting are provide to councillors at each monthly meeting.	
Risk Management Arrangements	(Burial Authorities only) Is the Council aware of the Ministry of Justice guidance on "Managing the Safety of Burial Ground Memorials"	The Council is fully aware of its obligations as a Burial Authority. Evidence in the meeting minutes of a recent Topple test of memorials being undertaken	
Burial Authority	Do you have a ledger of permits from which I can choose a sample?	Sample taken and agreements seen	
Burial Authority	What is the process for storing Burial records	Burial records are now stored in Scribe. Prior to this all the Historic records and certificates are stored in a locked cabinet in a locked office.	
Burial Authority	If you have Interred Ashes can you provide certificate of cremation? Can you provide a list of interred Ashes in order for us to choose a sample?	List of Interred Ashes are available in Scribe	
Burial Authority	(Burial Authorities only) Is the Council aware of the Ministry of Justice guidance on "Managing the Safety of Burial Ground Memorials"	Yes	
Market Authority	Please provide a rate card for the market stalls	Market Rates check against permanent traders	
Market Authority	Please provide a list of regular stall holders	List of Permanent Stall Holders Seen	
Budgetary Controls	Has the council prepared an annual budget in support of its precept?	The council has a thorough process for Budgetary review. An Excel document showing past 4 Years and the current financial year forecast is produced. The income and expenditure calculations are shown in the excel workbook. Tenders are issued prior to the financial year to obtain firm costings for contracts. This is then reviewed at full Council. Budget for 23/24 agreed in Jan 23 meeting	
Budgetary Controls	Is actual expenditure against the budget regularly reported to the council?	The budget vs actual is reviewed at every meeting	
Budgetary Controls	Are there any significant unexplained variances from budget?	No unexplained budget variances	
Income Controls	Is income properly recorded and promptly banked?	Yes, Income sample checked	

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Income Controls	Does the precept recorded agree to the Council Tax authority's notification?	Yes. Notification Matches	Suggest spot checking amounts received against amounts due in cash. Also, random and without warning attendance at cash collection twice per year to further improve cash security.  A training policy could help your bid to being accredited as I would imagine this is also something the "Good Council Award Scheme" would expect to see
Income Controls	Are security controls over cash and near-cash adequate and effective?	Library/Parking/Toilet Fees are counted with two people present and banked same day. Market cash receipts are collected by the Market Superintendent , counted in the present of two members of staff and banked same day	
Petty Cash Procedures	Is all petty cash spent recorded and supported by VAT invoices/receipts?	No Petty Cash	
Petty Cash Procedures	Is petty cash expenditure reported to each council meeting?	No Petty Cash	
Petty Cash Procedures	Is petty cash reimbursement carried out regularly?	No Petty Cash	
Payroll Controls	How many members of staff are there?	There are 4 members of staff	
Payroll Controls	How many members of staff are on National Minimum Wage?	No employees are on NMW. Clerking staff are on NJC union pay schemes and the Market Super Intendents are above NMW	
Payroll Controls	What is the approval processs for pay increases?	Pay increases are agreed at council meetings. The NJC awards are union driven.	
Payroll Controls	Do you have a Training Policy & Record?	No Training Policy but there is a Training record. The Council wish to work towards been an accredited council through the good council awards scheme.	
Payroll Controls	Is your Clerk CiLCA Qualified?	Clerk is CiLCA qualified and Deputy Clerk is iLCA	
Payroll Controls	Do you have HR policies?	There are some HR policies on the website. Some of which have been reviewed during the year	
Payroll Controls	Do all employees have contracts of employment with clear terms and conditions?	Yes all employees have a contract with clear T&Cs	
Payroll Controls	Do you have Health and Safety Policies in place with regards staff workstations?	The Council has a Health and Safety at work policy which is available to read on the website	
Payroll Controls	Do salaries paid agree with those approved by the council?	Yes	
Payroll Controls	Are other payments to employees reasonable and approved by the council?	No expenses chosen in sample	
Payroll Controls	Have PAYE/NIC been properly operated by the council as an employer?	Yes	
Asset Control	Does the council maintain a register of all material assets owned or in its care?	Yes, the Council has an Asset Register which is contained within Scribe	
Asset Control	Are the assets and Investments registers up to date?	Yes, Asset Register regularly reviewed but also a full review is undertaken prior to year end	
Asset Control	Do asset insurance valuations agree with those in the asset register?	Insurance Valuation for Assets is lower lower than actual but the sum insured is higher and therefore deemed appropriate	
Bank Reconciliation	Is there a bank reconciliation for each account?	There is one bank reconciliation which includes all 3 bank accounts	
Bank Reconciliation	Is a bank reconciliation carried out regularly and in a timely fashion?	The bank reconciliations are carried out monthly as a minimum and presented to Council	
Bank Reconciliation	Are there any unexplained balancing entries in any reconciliation?	There are no unexplained balancing errors.	
Bank Reconciliation	Is the value of investments held summarised on the reconciliation?	n/a no investments	
Year End Procedures	Are year end accounts prepared on the correct accounting basis (Receipts and Payments or Income and Expenditure)?	Yes	
Year End Procedures	Do accounts agree with the cashbook?	The Year end report is calculated from within Scribe therefore is automatically agrees	
Year End Procedures	Is there an audit trail from underlying financial records to the accounts?	Yes, from the samples chosen there is an underlying audit trail	

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Year End Procedures	Where appropriate, have debtors and creditors been properly recorded?	Yes	For clarity I would suggest adding an adoption and readoption date to the documents for the clarity of the public. It provides proof that you are constantly reviewing your policies for effectiveness
Other Issues	Is the Council registered with the Information Commissioner?	ZA426051 expires June 2023	
Other Issues	What arrangements does the Council have for the back up of computer files?	The Council backs up to a Dropbox for none accounting records and documents. Accounting records in Scribe are backed up to the Cloud by the service provider	
Other Issues	Does the Council have responsibility for any Trust Funds? If so, are they independently examined?	No the Council does not have any trust funds	
Other Issues	Are the Policies and procedures on the website up to date?	The Policies on the webiste do not have dates of issue	
Other Issues	Any other issues that are worthy of reporting.	No	
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