

Internal Audit Checklist

Name of Council	Stalham	Name of Clerk	D Joy	No. of Councillors	11
Name of RFO	D Joy	Quorum	4	Precept	190,000

Book-Keeping	Ledger maintained and up to date?	Yes – uses Rialtus software
	Arithmetic correct?	Yes
	Evidence of Internal Control?	Yes
	VAT evidence, recording & reclaim	Yes
	Payment ledger supported by invoices, authorised & minuted?	Yes
	S137 separately recorded & within limits?	GPOC
	S137 expenditure direct benefit to electorate?	GPOC
Due Process	Latest Standing Orders Adopted?	Yes
	Standing Orders reviewed?	Yes
	Financial Regulations (FR) adopted?	No – new FR reported April 24 but not adopted during the year.
	FR properly tailored to council?	See above
	Equality and Diversity policy adopted?	Yes
	Adequate Internal Controls for payments?	Yes
	List of member interests held?	Yes
	Agendas signed, specified & displayed with 3 clear days' notice	Yes
	Purchase orders raised for all expenditure (if used)?	N/A
	Purchasing authority defined in FR?	In outdated FR
	Committee terms of reference exist & reviewed	Yes
	Website accessible & regularly updated for Transparency Code?	Yes
	Is eligibility for General Power of Competence properly evidenced?	Yes

	Do arrangements for public inspection of council's records exist?	Yes
Risk Management	Does scan of minutes reveal any unusual activity?	No
	Annual risk assessment carried out?	Yes
	Insurance cover appropriate and adequate?	Yes
	Evidence of annual insurance review?	Yes
	Minutes initialled, each page identified and overall signed?	Yes
	Regular financial reporting as agreed by Council?	Yes
	S137 Expenditure minuted?	GPOC
	Control measures specific to the risks of online banking	Yes
	Is public liability insurance in place?	Yes
	Is officer fidelity insurance in place?	Yes
	Evidence of internal & external audit reports received & actioned?	Yes
	Are all electronic files backed up?	Yes
Budget	Annual budget to support precept?	See Note
	Has budget been discussed and adopted by council?	Yes
	Any reserves earmarked?	Yes
	Any unexplained variances from budget?	No
	Precept demand correctly minuted?	Yes
Employment	Contract of employment?	Yes
	HMRC arrangements and payments correct?	See Note
	Council or committee with devolved authority approved salary payment?	Yes
	Other payments reasonable and approved by council	Yes
	Pension contributions recorded and paid?	See Note
	Does council have employer liability insurance?	Yes

Asset Control	Does council keep a register of all assets owned?	Yes
	Is asset register up to date?	Yes
	Value of individual assets included?	Yes
	Inspected for risk and up to date inspection records exist?	Yes
	Record of deeds, articles and land register references	No evidence
Bank Reconciliation	Bank reconciliations covering accounts, investments & cash in hand?	Yes
	Are reconciliations presented to council at agreed intervals?	Yes – see note
Year End Procedures	Year end accounts prepared on correct accounting basis?	Yes – getting close to inc & exp threshold
	Bank statements and ledger reconcile?	Yes
	Underlying financial trail from records to presented accounts?	Yes
	Where appropriate, debtors and creditors properly recorded	Yes
Allotments		
	9.1 Are annual tenancy agreements issued?	No evidence
	9.2 Are all rents received?	Not covered
	9.3 Are allotment rules issued to all tenancy holders?	Not covered
Transparency Codes	All items of expenditure as required published by 1 st July?	Yes
	End of year accounts published by 1 st July?	Yes
	Annual Governance Statement published by 1 st July?	Yes
	Internal Audit Report published by 1 st July?	Yes
	Councillor responsibilities	Yes

	published by 1 st July?	
	Asset register published by 1 st July?	Yes
	Agendas and meeting papers published within 3 clear days?	Yes
	(Draft) Minutes published within one month of the meeting?	Yes

Recommendations and Observations

Comments last year

- Is the invoicing system on Rialtus used? This could be used for hall hire, allotments, burials and events to keep a better track of income due.
- The process of recording payments in the file could be refined. At the moment every payment includes a sheet showing the details. The details of the payment itself are on the invoices. The details for how it is handled by the Town Council could be recorded via the use of stamp placed on all papers. This would reduce the paper use considerably and also reduce the amount of filing space required. *Same practice still in place – is this really useful? How often do you refer back to the additional sheets?*

Observations

- The budgeting process did not include any income. Although it is not easy to accurately predict income it is known that there is definitely going to be bank interest and allotment fees. All likelihood is there will also be Town Hall rental and burial fees. These should be noted in the budgeting process
- There are sometimes long delays in the bank reconciliations going to council. This should be done each month *Would you please let me know which months ?*
- Some of the monthly reports have the direct debit figures for the previous month so they are difficult to agree to the bank statement. The monthly payment report should show that months reports.
- Why is the Town Council claiming VAT for Stalham & Brumstead Recreation Ground, what is the relationship between these two organisations? *Council are the Sole Trustee of this Charity.*
- It may be easier to pay HMRC monthly. Although the level is probably at the quarterly pay rate this can lead to errors occurring and fines being issued. The Council is paying nearly £150 for a payroll service so all the information should be provided to enable payments to be made. *The quarterly DD is set up so it automatically comes out, so no over payments or underpayments are made.*

- There was obviously some error in the pensions payments this year – has that been resolved? **Yes**
- Changes have been made to the Smaller Authorities Proper Practices guide (SAPPP) (formerly Joint Panel on Accounting and Governance JPAG) for the accounting year 2025/26. These include the need to have a dot org or dot gov email address and an IT policy. I would suggest looking at this early in this current accounting year. I know you have the address but probably not the IT policy. There is a specimen one with the SAPPP. **I will get an IT Policy done .**
- Explanation of variances should have the reinstated figures for 2023/24. **I will speak to Rialtus**
- If no explanation is needed do not give one. **What is this for ?**
- Streetlighting electricity is very high for just 160 lamps. Consider changing all to LED and also look at contract to see when it ends and if you can get a better deal. **Council received a grant last year to replace all LED lights which is nearly complete and have changed provider to get a better deal**
- Please ensure new Financial Regs are agreed as soon as practical. **This was done on the 12.5.25 and have now been resolved.**