Internal Audit

Darrington Parish Council

Year Ending 31 March 2026

Internal Auditor: Scott Currell Davis

Summary Checklist Report

This internal audit report is based upon the Association of Local Councils recommended checklist, introduced in 2016, in conjunction with the Practitioners' Guide to Governance and Accountability in Local Authorities.

CONFIDENTIAL

Internal Audit Summary Checklist Report for Darrington Parish Council

Year Ending: 31 March 2026

Name of Council	Darrington Parish Council	Name of Clerk to the Council	Linda Thompson
No. Of Councillors	8	Name of RFO	Fiona Gray
Quorum	3	Precept (for audit year)	£19,058.29
Electorate	1,150	Gross budgeted income	£4,222.50

1. Book-Keeping			Comments & Recommendations
1.1	Are the accounts balanced and up to date?	Yes	The accounts are balanced to be up to date for the monthly Council meeting and are up to date to the financial year-end.
1.2	Arithmetic correct?	Yes	Ledger reconciled monthly
1.3	Evidence of internal control?	Yes	• Internal audit • Budgetary control and monitoring • Bank reconciliation review by Council • Risk assessment policy, risk management scheme and risk assessments
1.4	VAT evidence, recording and reclaimed?	Yes	The Council can recover VAT through the Local Authorities and Similar Bodies Scheme. A claim for repayment of VAT is made annually. The last claim received in the year covered the period to 31/03/25.
1.5	Payments in the ledger supported by invoices, authorised & minuted?	Yes	See Detailed Schedule in Compliance Testing Report. All payments are authorised in monthly minutes.
1.6	Is S137 expenditure separately recorded and within statutory limits?	Yes	S137 expenditure is recorded separately in the cash book and is within statutory limits. No S137 expenditure took place in 2025/26.
1.7	Is S137 expenditure of direct benefit to the electorate?	Yes	All S137 expenditure incurred in the current financial year was in respect of activities relevant to the parish. No S137 expenditure took place in 2025/26.

2.	Due Process		Comments & Recommendations
2.1	Standing Orders adopted since 2010?	Yes	The Council has had Standing Orders in place since 2015. There is no record of Standing Orders being in place prior to this date, however previous Councillors have confirmed that there were Standing Orders in place since the early 2000's.
2.2	Standing Orders reviewed at Annual Meeting?	Yes	Standing Orders were reviewed, updated and adopted by Council at the annual meeting of the Council on 11 May 2023 and were reviewed again at the annual meeting of the Council on 14 May 2026. The Standing Orders align to NALC current best practice guidelines.
2.3	Financial Regulations adopted?	Yes	Yes - Financial Regulations were reviewed, updated and adopted by Council at the annual meeting of the Council on 11 May 2023. NALC introduced revised Financial Regulations during April 2024 and a customised version of these were reviewed and adopted by the Council at the annual meeting of the Council on 9 May 2024. The Council once again reviewed the Financial Regulations on 14 May 2026. There was 1 change to note which was minuted.
2.4	Financial Regulations properly tailored to Council?	Yes	Yes, the Financial Regulations were tailored by the RFO and these changes adopted by the Council.
2.5	Equal Opportunities policy adopted?	N/A	On investigation it was determined that this policy is only required for councils that have employees. As Darrington Parish Council does not have employees, this policy is not required.
2.6	RFO appointed?	Yes	Fiona Gray was appointed as RFO to the Council on 27 July 2022.
2.7	List of member's interests held?	Yes	The Clerk maintains and updates the list of member's interest as required. A link is available on the Wakefield Council website to the list of member's interest held at the Darrington Parish Council. www.wakefield.gov.uk: Parish council – Darrington Parish Council
2.8	Agendas signed, informative and displayed with 3 clear days' notice?	Yes	The council meeting agenda is prepared and signed by the Proper Officer and is posted on the Council's website and parish council notice boards with 3 clear days' notice.
2.9	Purchase orders raised for all expenditure?	Yes	Financial Regulations determine how commitment to purchase is made (see 2.10). Most orders for goods and services are made by or confirmed by email and are approved by the Council prior to expenditure, except where the spend is less than £500 and cannot wait until the next Council meeting for approval. In these cases the RFO, Chair and a nominated Councillor each have delegated authority to spend up to £500 and retrospectively request approval at the Council meeting immediately thereafter. Furthermore, for control and compliance purposes each transaction is allocated a transaction reference which can also serve as the purchase order number and a

			remittance advice reflecting the transaction reference is sent to each recipient. A formal purchase order system is therefore not required to be implemented.
2.10	Purchasing authority defined in Financial Regulations?	Yes	The Financial Regulations stipulate that: • Where possible estimates/quotes will be obtained for purchases exceeding £5,000. • Under £500 can be authorised by the RFO, Chair and nominated Councillor subject to budgetary provision.
2.11	Legal powers identified in minutes and/or ledger?	Yes	Yes, the legal powers are identified in the Annual Account Summary, however there is 1 expenditure (Parish projects) of £910.42 which requires further clarification. **ACTION: Provide clarity around the composition of the £910.42 detailed as Parish Projects and confirm the legal powers under which this expenditure took place.**
2.12	Committee terms of reference exist and have been reviewed?	N/A	No committees of Council

3.	**Risk Management**		**Comments & Recommendations**
3.1	Does a scan of the minutes identify any unusual financial activity?	No	Minutes are prepared for all meetings of the Council, which meets 11 times per year. No unusual financial activity was found in the minutes reviewed.
3.2	Is an annual risk assessment carried out?	Yes	Yes, an annual risk assessment is carried out between February and April each year.
3.3	Is Insurance cover appropriate and adequate?	Yes	The level and range of insurance cover appears to be adequate for the size of the Council.
3.4	Evidence of annual insurance review?	Yes	The insurance is renewed annually on 1st June. Insurance cover is currently placed with specialist brokers Arthur J Gallagher (AJG), who insure through Hiscox for liability insurance. There is reference to a 3-yr LTA, but no clause defining the parameters of the LTA.
3.5	Internal financial controls documented and evidenced?	Yes	A statement of internal control was adopted by the Council
3.6	Minutes initialled, each page identified and overall signed?	Yes	Minutes have been initialled on each page, as well as signed in full and dated on the first page. October 2025, December 2025, January 2026, February 2026 and March 2026 minutes are signed but not dated. **ACTION: Date the October 2025, December 2025, January 2026, February 2026 and March 2026 minutes.**
3.7	Regular reporting and minuting of bank balances?	Yes	Bank balances are presented to Council at each meeting as part of the financial reporting and are minuted.

3.8	S137 expenditure minuted?	Yes	S137 expenditure is identified as such in the monthly payment summary for approval by the Council and is minuted on the same basis. Furthermore, expenditure does not exceed S137 statutory limits. There was no S137 expenditure for the 2025/26 year.

4.	Budget		Comments & Recommendations
4.1	Annual budget prepared to support precept?	Yes	A detailed budget is prepared annually by the RFO.
4.2	Has budget been discussed and adopted by Council?	Yes	The budget for the financial year being audited was reviewed and approved by the Council at its January 2025 meeting.
4.3	Any reserves earmarked?	No	There are no reserves earmarked at 31 March 2026.
4.4	Any unexplained variances from budget?	No	There are no unexplained variances from the budget.
4.5	Precept demand correctly minuted?	Yes	The approved precept demand was presented to the Council during its January 2025 meeting and the value of the precept demand was minuted.

5.	Payroll - Clerk		Comments & Recommendations
5.1	Contract of employment?	N/A	
5.2	Tax code issued/contracted out?	N/A	
5.3	PAYE/NI evidence?	N/A	
5.4	Has Council approved the salary paid?	N/A	
5.5	Other payments reasonable and approved by Council?	N/A	

6.	Payroll - Other		Comments & Recommendations
6.1	Contracts of employment?	N/A	
6.2	Does the Council have employers' liability cover?	N/A	
6.3	Tax code(s) issued?	N/A	
6.4	Minimum Wage paid?	N/A	

6.5	Disciplinary, Grievance & Complaints procedures in place?	N/A	

7. Asset Control			**Comments & Recommendations**
7.1	Does the Council keep a register of all material assets owned?	Yes	The RFO is responsible for maintaining the manual asset register.
7.2	Is the asset register up to date?	Yes	The asset register is reviewed regularly and updated as required. The last update of the register took place at the 12 March 2026 meeting but this is not minuted. **ACTION: Table the asset register for formal approval and minuting.**
7.3	Value of individual assets included?	Yes	No minimum value is applicable for the assets listed on the asset register. No formal valuation has been undertaken.
7.4	Inspected for risk and health and safety?	Yes	An annual risk assessment was carried out in April 2026.

8. Bank Reconciliation			**Comments & Recommendations**
8.1	Is there a bank reconciliation for each account?	Yes	Reconciliations are undertaken for the bank account held by the Council: • Virgin Money (current) Account; bank statements received monthly. The main account for cheque payments and receipts.
8.2	Reconciliation carried out on receipt of statement?	Yes	The bank account is reconciled on receipt of statement.
8.3	Any unexplained balancing entries in any reconciliation?	No	All balancing entries fully explained.
8.4	Is the bank mandate up to date?	Yes	This mandate currently authorises 3 Council members as signatories: Linda Thompson (Vice-Chair), Dennis Burns (Chair) and Fiona Gray (RFO). The RFO is also recognised by the bank for administrative and communication purposes. Any 2 of the nominated signatories are required to sign cheques. The RFO is authorised to create and approve electronic payments, however each payment is required to be released by 1 of the other 2 Council members. All Council signatories on the bank mandate were still Council members at the end of the current financial year.

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9.	Year-End Procedures		Comments & Recommendations
9.1	Year-end accounts prepared on correct accounting basis?	Yes	Day to day and year-end accounts are prepared on a Receipts and Payments basis.
9.2	Bank statements and ledger reconcile?	Yes	A full reconciliation of each bank statement to the corresponding account in the ledger as at 31st March 2026 was prepared and reviewed and approved by the Council.
9.3	Underlying financial trail from records to presented accounts?	Yes	The manual accounting system provides a satisfactory audit trail to the underlying financial records.
9.4	Where applicable, debtors and creditors properly recorded?	Yes	Although not required to be recorded in the Receipts and Payments Accounts (i.e. cash based accounts), no outstanding debtors or creditors were identified at the financial year-end.
9.5	Has Council agreed, signed and minuted sections 1 & 2 of the Annual Return?	Yes	Section 1-Annual Governance Statement has been signed by the Council chair at the Council meeting on 11th June 2026. Section 2-Accounting Statements has been approved by the Council and signed by the Chair at the Council meeting on 11th June 2026.

10.	Miscellaneous		Comments & Recommendations
10.1	Have points raised at the last internal audit been addressed?	Yes	All action items have been addressed.
10.2	Has the Council adopted a Code of Conduct since July 2012?	Yes	The Council adopted a Code of Conduct at the ordinary meeting held on 10 February 2022 and was reviewed by the Council at the annual meeting of the Council on 14 May 2026.
10.3	Is eligibility for the General Power of Competence properly evidenced?	N/A	The Council is not eligible for this particular power.
10.4	Are all electronic files backed up?	Yes	All working files are currently backed up to a GoogleDrive folder in the cloud and all policy files are saved to the member-only section of the website which is hosted by Active Council, a government approved website provider.
10.5	Do arrangements for the public inspection of records exist?	Yes	Notice of audit displayed as per external audit instructions. Outside of this period, inspection of records can be undertaken by prior appointment.

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11.	Charities		Comments & Recommendations
11.1	Charities reported and accounted separately?	N/A	The Council does not currently act as trustee for any charity and is not responsible for managing any trust funds or assets
11.2	Have the accounts been separately audited?	N/A	
11.3	Have the accounts been filed within the legal time limits?	N/A	
11.4	Has the Annual Return been filed within the legal time limits?	N/A	

12.	Burial Authorities		Comments & Recommendations
12.1	All money received corresponds with the number of burials/cremations recorded and memorial permits issued?	N/A	Darrington Parish Council does not own any burial land
12.2	Are fees levied in accordance with the Council's approved scale of fees and charges?	N/A	
12.3	Have all statutory books been kept safe and up to date? If electronic copies are held, are these backed up regularly?	N/A	
12.4	Do all internment of ashes have a certificate of cremation?	N/A	
12.5	Have the necessary permits, permissions, and transfer of Exclusive Burial Right (EBR) been completed correctly, documented and approved?	N/A	

13.	Income Controls		Comments & Recommendations
13.1	Is income properly recorded and promptly banked?	Yes	Receipts (acknowledgments) are issued for payments received, where applicable. Cash and cheques are banked as soon as is practically possible. Outside of the precept, bank interest, donations for specific projects and the VAT reclaim there is minimal other income.
13.2	Does the precept recorded agree to the Council Tax authority's notification?	Yes	The precept was received in a single instalment and recorded in the accounts on 3rd April 2025. The total precept received for 2025/26 was £19,058.29 and this corresponds to the confirmation received from the Council.
13.3	Are security controls over cash adequate and effective?	Yes	All cash is received by the RFO and is deposited within 24 hours of receipt.

14.	Petty Cash		Comments & Recommendations
14.1	Is all petty cash spent recorded and supported by VAT receipts where applicable?	N/A	Darrington Parish Council does not operate a petty cash account
14.2	Is petty cash expenditure reported to Council?	NA	
14.3	Is petty cash reimbursement carried out regularly?	N/A	

TRANSACTION SPOT CHECK						
Check No.	1	2	3	4	5	6
Transaction type	Receipt	Donation income	Cash purchase	Receipt	Purchase invoice	Refund transfer
Supplier/Customer	Sharlston Parish	Sharlston Parish	Amanda Brundell	Hungry Horse	London Hearts	Pete Batty
Invoice/Transaction No.	16-2526	n/a	31-2526	37-2526	43-2526	58-2526
Invoice/Transaction date	20.06.2025	16.07.2025	10.10.2025	16.11.2025	01.12.2025	19.03.2026
Goods/services supplied	Loan of SID	Discount received from Sharlston Parish recorded as donation income	Winter flowers	Refreshments for volunteers at litter pick	Defibrillator	Refund for purchase of gift to the Brotherhood
Ledger date	16.06.2025	16.07.2024	09.10.2025	16.11.2025	11.12.2025	12.03.2026
Ledger Reference	16-2526	n/a	31-2526	37-2526	43-2526	58-2526
Item/Budget heading	Parish projects	Donation income	Winter planters & beds	Parish projects	Not budgeted	Parish projects
Ref/cheque No.	16-2526	n/a	31-2526	16-2526	43-2526	58-2526
Authorised by	2 x authorised signatories	n/a	At council meeting on 11.09.2025	Retrospective approval at council meeting on 11.12.2025	2 x authorised signatories	Retrospective approval at council meeting on 09.04.2026

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Order Minute Ref	June 2025	July 2025	September 2025	December 2025	December 2025	April
Delivery evidence	SID installed during loan period	Deposit into account	Flowers in planters during winter	Happy volunteers	Installed defibrillator	Payments up to date
Payment minute ref	16-2526	n/a	31-2526	16-2526	43-2526	20-2425
Insurance value	n/a	n/a	n/a	n/a	n/a	n/a
Payment value	Initially £100.00, £50.00 discount applied, so payment value £50.00	£50.00	£240.00	£41.26	£966.00	£32.39
O/S Statement value	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Timely payment	Yes	n/a	Yes	Yes	Yes	Yes
VAT recorded	n/a	n/a	n/a	Yes	n/a	Yes
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	A smiley SID was hired from Sharlston Parish for a few days to monitor traffic speed through the village	Discount received from Sharlston Parish and recorded as donation	Winter flowers bought from a resident that is able to procure landscaping flowers at discounted prices	Refreshments for volunteers that supported the village litter pick	Cost to purchase additional defibrillator for the village – at the Spread	Refund to Pete Batty for purchasing thank you gift to The Brotherhood, who donate a Christmas tree to the village every year
Pass	√	√	√	√	√	√

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Any further comments
The overall internal audit assurance rating remains as: **GOOD**

Internal audit carried out by	**(print)** Scott Currell Davis
Audit type (delete as appropriate)	**ANNUAL**
Date	

For internal auditor's use only	
Section 4 of Annual Return form completed and signed	**Yes**
Internal audit report sent to Council	**Yes**

Year Ending: 31 March 2026

ANNUAL RETURN	Year Ending 31 March 2025	Year Ending 31 March 2026
1. Balances brought forward	£20,464	£19,597
2. Annual precept	£18,151	£19,058
3. Total other receipts	£3,270	£4,977
4. Staff costs	£0	£0
5. Loan interest / capital repayments	£2,208	£2,208
6. Total other payments	£20,080	£19,148
7. Balances carried forward	£19,597	£22,276
8. Total cash and investments	£19,957	£22,276
9. Total fixed assets and long-term assets	£30,528	£32,142
10. Total borrowings	£14,636	£13,869
Section 2 Annual Return figures completed and cross referenced?		Yes