Darrington Parish Council Internal Audit Report

Completed by Scott Currell Davis, 13th June 2026

Introduction

The purpose of this report is to fulfil the requirements of an internal audit of the financial accounts for Financial Year 25/26 and to ensure that:

- Appropriate accounting records have been kept
- Council's financial regulations have been met
- Council assessed the significant risks
- Budget and forecasting was completed
- All payments were properly supported by receipts
- Account reconciliations were properly carried out

This report will follow the same format of the 24/25 report. During 2025/26 there were 59 items of expenditure, which can be tracked through the accounts to demonstrate whether there is a governance process in place.

This process consists of the expenditure being approved during the monthly Parish Council meetings and captured within minutes subsequently signed by the Chair to demonstrate the approval of the transactions. There is subsequently the ability to track the expenditure through the accounts via bank statements and bank account monthly summaries.

Following this the monthly summary of accounts are presented at each Parish Council Meeting, which then reviews the budget, actuals and forecast for the remaining financial year.

Audit Sample

To determine whether the above process has been adapted, a sample of 6 random transactions was selected for audit.

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
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	√	√	√	√	√	√

Following the audit of the sample transactions it can also be demonstrated that each month there are summaries of account, budgets and forecasting information which are filled with the monthly minutes, even where monthly minutes were not available.

There is also evidence that the VAT return for 2025/26 was submitted and this value was recognised within the income for the Financial Year.

Recommendations

Whilst there are no significant areas of concern, it is recommended that the Council considers implementing the below suggestions to ensure that it remains up to date with current governance policies and procedures:

1. 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. Date the October 2025, December 2025, January 2026, February 2026 and March 2026 minutes.
3. Table the Asset Register for formal approval and minuting.

Conclusion

In conclusion to this audit, there is a fully auditable process in place which is managed by the Responsible Financial Officer and relevant governance is in place to ensure that all transactions are approved and accounted for accordingly.

Signed: ______________________

Dated: 13/06/2026