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INTERNAL AUDIT CERTIFICATE AND REPORT

Diddlebury Parish Council

Once again, keeping meticulous financial records, ensuring an adequate audit trail.

I certify that I have completed the Internal Audit for the year ended 31st March 2025 according to the books and records presented to me and in accordance with the Audit Commission requirements.

My audit included comprehensive examination of the Council's records, undertaking all tests as prescribed in the Annual Governance and Accountability Return 2024/25 Form 3, sufficient to give reasonable assurance that the Council's affairs are properly conducted and are free from material mis-statement.

I note that the Parish Council now holds ring fenced funds amounting to £8,815.06 and actual Parish Council reserves at the end of 2024/25 amount to £4,475.13.

I also note that the funds carried forward at the end of the 2024/25 financial year have decreased by £10,338 which can largely be attributed to the playground expenditure which was funded from the Neighbourhood Fund held by the Parish Council.

The work undertaken, as directed in the Internal Audit report which forms part of the Annual Governance and Accountability Return, included the following:-

Appropriate accounting records have been properly kept throughout the year?

The manual cash book was carefully checked, all payments for the period 1.4.24 to 31.3.25 were properly recorded and found to be accurate as recorded on the AGAR. The opening balance was correct as reported as a closing balance on the previous year's AGAR and the closing balance agreed with the total carried forward in April 2024 plus the income received during 2024/25 less expenditure incurred during 2024/25 and the bank reconciliation at the year end.

This Authority complied with its financial regulations, payments were supported by invoices/vouchers and all expenditure was approved and VAT was appropriately accounted for

The Financial Regulations were reviewed at the Parish Council meeting held on 19th June 2024 and this is recorded in the Minutes and on the Parish Council web site.

A total of £3,302.90 was paid in VAT. During 2024/25. This is properly recorded and a copy of the claim to HMRC dated 23rd April 2025 is shown on file and when this amount is received it will be added to the income for the 2025/26 financial year.

A sample of payments as shown in the cash book and as approved and shown in the Minutes, were tested and they provide a full audit trail to invoices, payments and Council Minutes giving approval for payment. Cheque stubs showing payments were also countersigned by the authorised signatories and VAT was properly recorded.

Council assessed the significant risks to achieving its objective and reviewed the adequacy of arrangements to manage these?

The Policy adopted by the Council was last reviewed at the Parish Council meeting held on 21st February, 2024 where it was agreed there would be no amendments to the existing policy. The policy is shown as reviewed and adopted and Minuted on 21st February 2024 and also shown on the web site. There is no reference to this being reviewed since 21st February 2024.

The precept of rates requirement resulted from an adequate budgetary process, progress against the budget is regularly monitored and reserves are appropriate?

I am reassured that the precept set for 2024/25 resulted in a thorough examination of the year end position for 2023/24 and the Council's needs for 2024/25.

Expected Income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for. A Neighbourhood Fund grant of £8,549.88 and a donation from Corvedale School in the sum of £825 were received and properly recorded during 2024/25.

The policy on holding adequate reserves was adopted on 22nd February 2017 and reviewed in March 2023. I would suggest that the Parish Council carry out a further review. It was noted that the actual Parish Council reserves, ignore those ring fenced, amounted to £4,475.13 at the end of March 2025.

Salaries to employees and allowances to members were paid in accordance with the Authority's approvals and PAYE and NI requirements were properly applied?

All salary and PAYE contributions are calculated by an external payroll provider. Salary slips were checked and found to be accurate. Tax and NHI has been properly deducted. All payments have been approved by the Council and tax due paid to HMRC.

Asset and investment registers were complete and accurate and properly maintained?

The asset register was examined and agreed at the meeting held on 25th March 2025 and agreed in the sum of £23,098.

The Council does not hold any investments and an Investment Register is not required.

Periodic Bank account reconciliations were properly carried out during the year?

There is evidence in the Minutes that bank reconciliations are carried out and presented to the Council at each meeting. There is evidence that the bank reconciliation are signed by a Councillor.

I also carried out a sample of bank reconciliation's at random throughout the year and a year end bank reconciliation and were all found to be correct.

Accounting Statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure) agreed to the cash book, supported by adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded?

The AGAR for the year 2024/25 has been accurately prepared on a receipts and payment basis and agrees with all payments and receipts and the year end bank reconciliation.

If the authority certified itself exempt from a limited assurance review in 2023/24 , it met the exemption criteria and correctly declared itself exempt.

The Notice of Exemption was agreed and is dated 22nd May, 2024 and correctly displayed on the web site.

The authority published and required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation?

The Council's web site contains all the information to meet the transparency requirements.

In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations. (evidenced by a notice on the web site)?

The Notice for the Exercise of Electors Rights was published on the Council web site (Notice period shown is 3rd June - 12th July 2024) dated 1st June, 2024 and complies with the correct amount of days required.

In the year covered by this AGAR, The authority has complied with the publication requirement for the 2023/2024 AGAR

I checked the Council's web site on 4th May 2025 and the 2023/24 AGAR and all year end paperwork, as required, was found on the Council's web site.

Jennie Griffiths
4th May 2025