

## **Internal Audit Report**

### **Cholmondeley and Chorley Parish Council 2023/24**

The internal audit was carried out by undertaking the following tests in the AGAR Annual Return for Local Councils in England:

- 1 Checking that books of account have been properly kept throughout the year.
- 2 Checking a sample of payments to ensure that the Council's financial regulations have been met, payments are supported by invoices, expenditure is approved, and VAT is correctly accounted for.
- 3 Reviewing the Council's risk assessment and ensuring that adequate arrangements are in place to manage all identified risks.
- 4 Verifying that the annual precept request is the result of a proper budgetary process, that budget progress has been regularly monitored and that the council's reserves are appropriate.
- 5 Checking income records to ensure that the correct price has been charged, income has been received, recorded and promptly banked and VAT is correctly accounted for.
- 6 Reviewing petty cash records to ensure payments are supported by receipts, expenditure is approved and VAT is correctly accounted for.
- 7 Checking that salaries to employees have been paid in accordance with Council's approvals and that PAYE and NI requirements have been properly applied.
- 8 Checking the accuracy of the asset and investments registers.
- 9 Testing the accuracy and timeliness of periodic and year-end bank reconciliations.
- 10 Year end testing on accuracy and completeness of the financial statements.

## **Conclusion**

On the basis of the internal audit work carried out, which was limited to the tests indicated above, in our view the council's system of internal controls is **in place**, adequate for the purpose intended and effective. The recommendations reported in the action plan overleaf should be implemented promptly.

**Afford Bond Holdings Limited**