

INTERNAL AUDIT REPORT
EATON AND ECCLESTON PARISH COUNCIL – 2025/2026

The internal audit of Eaton and Eccleston Parish Council was carried out by undertaking the following tests as specified on the Annual Return for Local Councils in England:

- Checking that books of account have been properly kept throughout the year
- 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
- Reviewing the Council's risk assessment and ensuring that adequate arrangements are in place to manage all identified risks
- 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
- 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
- Reviewing petty cash records to ensure payments are supported by receipts, expenditure is approved and VAT is correctly accounted for
- Checking that salaries to employees have been paid in accordance with Council approvals and that PAYE and NI requirements have been properly applied
- Checking the accuracy of the asset and investments registers
- Testing the accuracy and timeliness of periodic and year-end bank account reconciliation(s)
- Year end testing on the 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, subject to the issues reported in the action plan overleaf.

As part of the internal audit work for the next financial year we will follow up all recommendations included in the action plan.

JDH Business Services Limited

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	<p>incremented to WCAG 2.2 AA in October 2024.</p> <ul style="list-style-type: none"> We have not seen evidence that the Council have a privacy notice. 		
Follow up of 2024/25 internal audit recommendations			
1	<p>Recurring issue:</p> <p>We have not seen evidence that VAT relating to 2021/22 and 2022/23 has been reclaimed.</p>	<p><i>VAT relating to 2021/22 and 2022/23 should be reclaimed.</i></p>	Implemented
Follow up of 2023/24 internal audit recommendations			
1	<p>The council did not publish an explanation of variances comparing 2021/22 to 2022/23 on the website as required by the 'Publication requirements' on page 1 of the Annual Governance and Accountability (AGAR) Return 2022/23 Form 2.</p> <p>The certificate of exemption for 2022/23 was incorrect as reported in issue 2 of the 22/23 internal audit</p> <p>The 'Notice for the period of the exercise of public rights' for 2022/23 did not include the contact details for the appointed external auditor and</p>	<p><i>An explanation of variances should be included in the documents published on the website before 1/7/24 for 2023/24.</i></p> <p><i>The certificate of exemption for 23/24 is correct. We will check it has been published on the website in 24/25.</i></p> <p><i>A pro-forma for the public notice can be found at the following web page:</i></p> <p><i>www.pkf-l.com/services/limited-</i></p>	Implemented

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	<p>incorrectly states the internal auditor is the appointed auditor.</p> <p>We note that the other requirements have been met.</p>	<p><u><i>assurance-regime-useful-information-and-links/</i></u></p>	
2	<p>We have not seen evidence that VAT relating to 2021/22 and 2022/23 has been reclaimed.</p> <p>A reclaim for 2023/24 has been submitted.</p>	<p><i>VAT relating to 2021/22 and 2022/23 should be reclaimed.</i></p>	<p>Implemented</p>