

**McEllin Kelly**  
Chartered Accountants  
& Chartered Tax Advisers

Our ref: LMK/AM/HO1058G

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24 April 2018

Dear Councillors of Holmes Chapel Parish Council, Parish Clerk and Assistant to the Clerk

**Internal audit for the year ended 31 March 2018**

We have completed our internal audit work for the year ended 31 March 2018 and we write to you with our observations and recommendations. We would like to thank the Clerk and the Assistant Clerk for their help during our audit visits

This was our second year of appointment as your internal auditors. We visited the offices of Holmes Chapel Parish Council three times this year: once in October 2017 to review the asset register (following our recommendations in last year's letter) and twice in April 2018 to conduct the interim and final internal audits for the year.

During the first visit in April we reviewed the agendas and minutes of the meetings for the year and we sample-checked a variety of receipts payments in the year to ensure they had been correctly approved and posted to the accounts. We were pleased to see that our recommendation for councillors to evidence their spot-check reviews had been implemented this year and we hope that this practice continues.

At our second visit in April we reviewed the Annual Return for the year and we vouched the income and expenditure back through the financial system to invoice, to journals for accruals and prepayments, and to other documentation. All major items of income and expenditure were vouched back to invoice and precept notice / grant notice. We also reviewed the standing orders and the risk register for the council.

Principal:  
Lee M Kelly MA (Oxon) ACA CTA

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The Institute of Chartered  
Accountants in England and Wales

We found that internal financial controls at Holmes Chapel Parish Council were good, particularly the controls over purchase payments which require two councillors to check and approve online payments before they can be made from the Unity Trust bank account.

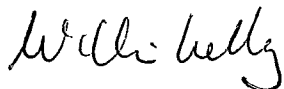
We also found the new format of the asset register to be helpful in that individual assets can now be more readily identified and managed.

We were also pleased to see that the Council had appointed independent valuers to review and revalue its asset portfolio and this should assist in ensuring that the insurance cover is sufficient in the future.

This year we have no recommendations for improvement.

We enclose our signed report and our fee note for your kind attention.

Yours sincerely



McEllin Kelly  
Chartered Accountants