

**INTERNAL AUDIT REPORT ON THE ANNUAL FINANCIAL STATEMENTS OF MUNICIPAL COUNCIL,
BARNALA FOR THE YEAR ENDING 31ST MARCH 2025**

On the basis of the accounting records and other information and explanation provided to us by the Management of Municipal Council, Barnala, we have conducted the Internal Audit of the Balance Sheet as on March 31, 2025 and the related Income & Expenditure Account of the Municipal Council for the year then ended.

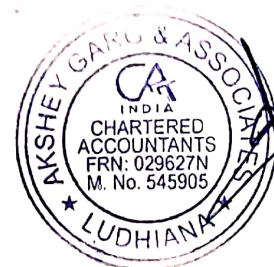
MANAGEMENT RESPONSIBILITY

The Management is responsible for:

- Completeness and accuracy of the underlying data and complete disclosure of all material and relevant information to the accountant.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

INTERNAL AUDIT

- Audit procedures performed are designed to evaluate the adequacy, efficiency and effectiveness of the Department's governing principles, risk management and control processes.
- Discussions were held with the management and staff members.





AKSHEY GARG & ASSOCIATES
CHARTERED ACCOUNTANTS

CA ASHIM GOYAL
(B.COM, FCA, DISA)

#497/1, MODEL GRAM,
OPP. GURUDWARA SINGH SABHA
LUDHIANA
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- Audit work was conducted on the basis of enquiry, observation and verification of supporting documentation and identified processes.

It is an inherent limitation that accounting and internal control system cannot provide management with conclusive evidence that objectives are reached due to the following reasons:

1. There is a potential human error due to carelessness distraction, mistakes of judgement and misunderstand of instructions.
2. The possibility that a person responsible for exercising an internal control could abuse that responsibility.
3. The possibility of circumventing of internal controls through the collusion of a member of management or an employee inside or an outside entity.
4. The possibility that the procedures may become and inadequate due to change in conditions compliance with the procedures may deteriorate.

The Balance Sheet & Profit & Loss Account are in agreement with the books of accounts.

For Akshey Garg & Associates
Chartered Accountants

Ashim Goyal

(Ashim Goyal)

Partner

M. No. 545905

FRN: 029627N

Place : Ludhiana

Date : 18.09.2025

