

21/22

Llyn Llewellyn
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31ST October 2022

The Council Chairperson
Llangunnor Community Council
c/o Llys Awelon
Heol Cae Gwyn
Drefach
Llanelli
SA14 7BB

Dear Council Chairman

Internal Audit Report for the year ended 31st March 2022

Purpose of the Audit

The purpose of the audit was to review the financial propriety and governance arrangements of the Council in accordance with proper practices as set out in the One Voice Wales/Society of Local Council Clerks' publication "Governance and Accountability for Local Councils in Wales – A Practitioners' Guide" (2019 Edition).

Main Findings

The control objectives tested proved to be satisfactory and as a result there are no matters I need to bring to the attention of your Council on this occasion. My conclusions are reflected in the internal auditor's report to be found in the 2021/22 Annual Return and are based inter alia on tests conducted by me – see schedule attached.

Audit Opinion

Assurance can be expressed in the governance arrangements and the financial statement of Llangunnor Community Council for the financial year 2021/22.

Acknowledgements

I would like to take this opportunity to thank the Clerk to the Council, Mr Howard Davies, for all his help and co-operation with the completion of the audit.

I attach my invoice for your kind attention in due course.

Yours sincerely



Lyn Llewellyn
Internal Auditor

Name of Council: Llangunnor Community Council

Financial Year: 2021/22

Internal Control / Testing carried out by Internal Audit confirmed the following:

Proper bookkeeping

Cashbook maintained and up to date.
Cashbook arithmetic correct.
Cashbook regularly balanced.

Standing Orders and financial regulations adopted and applied

Council formally adopted standing orders and financial regulations.
The Clerk has been appointed Responsible Financial Officer.
Items or services above the de minimis amount have been competitively purchased.

Payments Controls

Payments in the cashbook are supported by invoices, authorised and minuted.
VAT on payments have been identified, recorded but not reclaimed as at 31/10/2022.
S137 expenditure separately recorded and within statutory limits.

Risk Management Arrangements

Review of the minutes do not identify any unusual financial activity.
Minutes record the Council carrying out an annual risk assessment.
Insurance cover is appropriate and adequate.

Budgetary Controls

Council has prepared an annual budget in support of its precept.
Actual expenditure against the budget has been reported to the Council.
There are no significant unexplained variances from budget.

Income Controls

Income is properly recorded and promptly banked.
The precept recorded agrees to the Council Tax authority's notification.
Security controls over cash and near-cash adequate and effective.

Petty Cash Procedures

Not applicable.

Payroll Controls

The Clerk has a contract of employment with clear terms and conditions.
Salary paid agrees with that approved by the council.
Other payments to the Clerk are reasonable and approved by the council.
PAYE/NIC has been properly operated by the council as an employer.

Assets Controls

The council maintains a register of all material assets owned or in its care.
The asset register is up to date.

Bank Reconciliation

Bank reconciliation prepared for each account.

Bank reconciliation carried out regularly and in a timely fashion.

There are no unexplained balancing entries in any reconciliation.

Year-end procedures

Year-end accounts prepared on the correct accounting basis - Receipts and Payments.

Accounts agree with cashbook.

There is an audit trail from underlying financial records to the accounts.

Signed



Mr V L Llewellyn

Internal Auditor

Date 31st October 2022