

Lyn Llewellyn Internal Audit Service

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The Chairperson  
Llangennech Community Council  
c/o 45 Penderri Road  
Bryn  
Llanelli  
SA14 9PL

8th June 2020

Dear Chairperson

**Internal Audit Report for the year ended 31 March 2020**

I am pleased to confirm that all the prescribed tests in relation to your Council's internal control systems have been satisfactorily completed 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 in the 2019/20 Annual Return. These are based on the results of the testing of key controls undertaken by me – see schedule attached.

I would like to take this opportunity to thank your Clerk, Mr Wyn Evans, for all his help and co-operation during the completion of the work.

My invoice for the work completed is attached for your kind attention.

Yours sincerely



Lyn Llewellyn  
Internal Auditor

**Name of Council: Llangennech Community Council**

**Financial Year: 2019/20**

**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 Town Clerk has been appointed Responsible Financial Officer

Items or services above the de minimus 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 and reclaimed

£137 expenditure separately recorded and within statutory limits

**Risk Management Arrangements**

Review of the minutes does not identify any unusual financial activity

Minutes record the council carrying out an annual risk assessment

Insurance cover appropriate and adequate

Internal financial controls documented and regularly reviewed

**Budgetary Controls**

Council has prepared an annual budget in support of its precept

Actual expenditure against the budget 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 is adequate and effective

**Payments Controls**

The council has approved and circulated to members its arrangements for making payments

Payments made comply in all respects with the arrangements approved by the council

**Petty Cash Procedures**

All petty cash spent recorded and supported by VAT invoices/receipts

Petty cash expenditure reported to each council meeting

Petty cash reimbursement carried out regularly

**Payroll Controls**

All employees have contracts of employment with clear terms and conditions  
Salaries paid agree with those approved by the council  
Other payments to employees and members 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 assets 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 -Income and Expenditure  
Accounts agree with cashbook  
There is an audit trail from underlying financial records to the accounts

Signed



Mr V L Llewellyn

Internal Auditor

Date 09/06/2020