

Lyn Llewellyn Internal Audit Service

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17th May 2022

The Chairperson
Tawe Uchaf Community Council
C/o 8 Maes y Gorof
Ystradgynlais
Swansea
SA9 1DA

Dear Council Chairperson

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 internal control objectives tested (see attached schedule) proved to be satisfactory.

Audit Opinion

Assurance can be expressed in the accounting statements for 2021/22 relating to Tawe Uchaf Community Council, as reported in the Annual Return.

Acknowledgement

I would like to take this opportunity to thank the Clerk, Mr Elwyn Gwilym, for all his help and co-operation during the completion of the internal audit.

I attach my invoice for the completed for you kind attention in due course.

Yours sincerely



Lyn Llewellyn
Internal Auditor

Name of Council: Tawe Uchaf 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 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.
S137 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.

Budgetary Controls

Council has prepared an annual budget in support of its precept.
Actual expenditure against the budget reported monthly 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 and banking verified.021
Security controls over cash and near-cash adequate and effective.

Petty Cash Procedures

There is no petty cash system in operation.
The Clerk is re-imbursed for any sundry expenditure items as and when required.

Payroll Controls

The Clerk has a contract of employment with clear terms and conditions.
Salary paid agree 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 monthly and reported to Council.
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 17/05/2022