

Annual internal audit report to:

Name of body: LANGSTONE COMMUNITY COUNCIL

The Council/~~Board~~/~~Committee~~'s internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ending 31 March 2023.

The internal audit has been carried out in accordance with the Council/~~Board~~/~~Committee~~'s needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Council/~~Board~~/~~Committee~~.

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
1. Appropriate books of account have been properly kept throughout the year.	✓				
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	✓				
3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓				
4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.	✓				
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	✓				
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.			✓		
7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied.	✓				
8. Asset and investment registers were complete, accurate, and properly maintained.	✓				

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
9. Periodic and year-end bank account reconciliations were properly carried out.	✓				
10. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with the cashbook, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors were properly recorded.	✓				
11. Trust funds (including charitable trusts). The Council/Board/Committee has met its responsibilities as a trustee.			✓		

For any risk areas identified by the Council/Board/Committee (list any other risk areas below or on separate sheets if needed) adequate controls existed:

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
12.			✓		
13.			✓		
14.			✓		

* If the response is 'no', please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

** If the response is 'not covered', please state when the most recent internal audit work was done in this area and when it is next planned, or if coverage is not required, internal audit must explain why not.

[My detailed findings and recommendations which I draw to the attention of the Council/Board/Committee are included in my detailed report to the Council/Board/Committee dated 20/09/2023.] * Delete if no report prepared.

Internal audit confirmation

I/we confirm that as the Council's internal auditor, I/we have not been involved in a management or administrative role within the body (including preparation of the accounts) or as a member of the body during the financial years 2021-22 and 2022-23. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit:	VIVIAN AYN KREWELLYN
Signature of person who carried out the internal audit:	<i>V. A. Krewellyn</i>
Date:	20/09/2023

Lyn Llewellyn Internal Audit Service

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E-mail: v_llewellyn@sky.com

The Chairperson
Langstone Community Council
Merlin House
Langstone Business Park
Newport
NP18 2HJ

20th September 2023

Dear Council Chairperson

Internal Audit Report for the year ended 31st March 2023

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 and 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 in the 2022/23 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 Langstone Community Council for the financial year 2022/23.

Acknowledgements

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

I attach my invoice for your kind attention.

Yours sincerely



Lyn Llewellyn
Internal Auditor

Name of Council: Langstone Community Council

Financial Year: 2022/23

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

Proper bookkeeping

Cashbook maintained.
Cashbook arithmetic correct.
Cashbook balanced monthly.
Trial Balance as at 31st March 2023.

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.

Payment 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 to 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 bankings.
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.
PAYE/NIC has been properly operated by the council as an employer.

Asset 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.

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 20th September 2023

Lyn Llewellyn Internal Audit Service

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Invoice

20th September 2023

Dr to:

Langstone Community Council
Merlin House
Langstone Business Park
Newport
NP18 2HJ

To my fees in relation to internal audit work carried out for the Council for the year ended 31st March 2023.

Total Amount Payable £320.00

With Compliments

Please make cheques payable to V L Llewellyn or

Bank Details:
Barclays - Sort Code: 20-18-54
Account Name - Mr VL Llewellyn
No: 10613207