

Lyn Llewellyn Internal Audit Service

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The Town Mayor
Pontarddulais Town Council
45 St Teilo Street
Pontarddulais
Swansea
SA4 8SY

31st May 2022

Dear Town Mayor

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

All 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 2021/22 Annual Return.

Audit Opinion

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

Acknowledgement

I would like to take this opportunity to thank the Town Clerk, Mr Aneurin John, for 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: Pontarddulais Town 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 cashbooks 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 regularly 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 and banking verified.

Petty Cash Procedures

There is no petty cash system in operation.

The Clerk is re-imbursed by cheque for any sundry expenditure items as and when required.

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 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 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 31/05/2022