

Annual internal audit report to:

Name of body: **Graig Community Council**

The Council'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 2024.

The internal audit has been carried out in accordance with the Council'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.

	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.	✓				

Lyn Llewellyn Internal Audit Service

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The Chairperson
Graig Community Council
c/o Graig Community Centre
Cowshed Lane
Bassaleg
NP10 8HZ

12th June 2024

Dear Chairperson

Internal Audit Report for the year ended 31st March 2024

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 2023/24 Annual Return. These are based inter alia on the results of the testing of key controls undertaken by me – see schedule attached.

Audit Opinion

Assurance can be expressed in the governance arrangements and the financial statements of Graig Community Council for the financial year 2023/24.

Acknowledgements

I would like to take this opportunity to thank the Locum Clerk/RFO, Mrs Clare Cotterell, for her help and co-operation with the completion of the audit.

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

Yours sincerely



V L Llewellyn
Internal Auditor

Name of Council: GRAIG Community Council

Financial Year: 2023/24

Outline of work undertaken by Internal Audit

1. Proper bookkeeping

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

2. 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.

3. Payments Controls

Payments in the cashbook are supported by invoices, duly authorised and minuted.
VAT on payments have been identified, recorded and reclaimed.
S137 expenditure separately recorded and within statutory limits.

4. 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 appropriate and adequate.

5. 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.
Reserves are appropriate.

6. Income Controls

Income is properly recorded and promptly banked.
The precept recorded agrees to the Council Tax authority's notification and bankings.

7. Petty Cash Procedures

Not applicable.

8. 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.

9. Assets Controls

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

10. 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.

11. 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 12th June 2024