Llanwrtyd Wells Town Council

Internal Audit 2025-26

Year-End Report

Date 19/5/2026

Signed: S.Lilly

CiLCA, PIALC (Wales and England

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Internal Audit Forum

THE VOICE FOR LOCAL COUNCIL AUDIT

Internal Control	Suggested Testing	Findings	Recommendations
Proper Book Keeping	Are the accounts maintain and up to date?	yes	
	Are the accounts arithmetically correct?	yes	
	Are the Accounts balanced regularly?	yes	
	Has the council formally adopted Standing Order and Financial Regulations	yes	
	Has an RFO been appointed?	yes	
	Have items or services above the de minimus amount been competitively purchased?	yes	
	Are payments in the cashbook supported by invoices, authorised and minuted	yes	One very small one missing
	Has VAT on payments been identified, recorded and reclaimed?	Yes	Queries resolved with Welsh Audit help
	Is s137 expenditure separately recorded and within statutory limits	yes	
Risk Management Arrangements	Does a review of the minutes identify any unusual financial activity?	No	
	Do minutes record the council carrying out an annual risk ssessment?	Yes	
	Is insurance cover appropriate and adequate	Yes	
	Are internal financial controls documented and regularly reviewed?	Yes	
Budgetary Controls	Has the council prepared an annual budget in support of its precept	yes	
	Is actual expenditure against the budget regularly reported to the council?	Yes	
	Are there any significant unexplained variances from budget	No	
Income Controls	Is income properly recorded and promptly banked?	Yes	

	Does the precept recorded agree to the Council Tax authority's notification	Yes	
	Are security controls over cash and near- cash adequate and effective?	yes	
Petty Cash Procedures	Is all petty cash spent recorded and supported by VAT invoices/receipts?	N/A	
	Is petty cash expenditure reported to each council meeting?	N/A	
	Is petty cash reimbursement carried out regularly?	N/A	
Payroll Controls	Do all employees have contracts of employment with clear terms and conditions?	Yes	
	Do salaries paid agree with those approved by the council?	Yes	
	Are other payments to employees reasonable and approved by the council?	yes	
	Have PAYE/NIC been properly operated by the council as an employer?	Yes	HMRC contact name needs changing
Asset Controls	Does the council maintain a register of all material assets owned or in its care?	Yes	Being reviewed at May2026 meeting
	Are the assets and Investments registers up to date?	Yes	
	Do asset insurance valuations agree with those in the asset register	Yes	
Bank Reconciliation	Is there a bank reconciliation for each account?	Yes	
	Is a bank reconciliation carried out regularly and in a timely fashion?	Yes	
	Are there any unexplained balancing entries in any reconciliation?	No	
	Is the value of investments held summarised on the reconciliation?	N/A	
Year-End Procedures	Are year end accounts prepared on the correct accounting basis	Yes	

	(Receipts and Payments or Income and Expenditure)?		
	Do accounts agree with the Bank Statements?	Yes	
	Is there an audit trail from underlying financial records to the accounts	Yes	
	Where appropriate have debtors and creditors been properly recorded?	Yes	
Other Issues	Is the council registered with the ICO?	Yes	
	What arrangements does the Council have for back-up of computer files	Yes	
	Does the Council have responsibilities for Trust Funds?	N/A	
	Have all points raised in previous Welsh Audits been actioned?	2024/25 rights have been published	Notice of Rights on website Restated Precept Capital Projects

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