



Parish and Town Auditing Services

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Lucy Allen
Clerk/RFO
Llanvaches Community Council

11th June 2025

Dear Lucy,

Llanvaches Community Council End of Year Audit May 2025

Parish & Town Auditing Services were appointed to undertake the internal audit for Llanvaches Community Council. The End of Year audit was completed on 11th June 2025.

I can confirm that I am independent of the Parish Council.

As stated in the Letter of Engagement letter, the scope of our work is limited to completing the audit testing and enquiries we deem necessary to complete Section 4 of the Annual Report for Local Councils in England. We do not provide assurance over or accept responsibility for areas of work not included in this scope, unless specifically agreed with the Council during the financial year. In providing internal audit services we are not conducting a financial statement audit in accordance with standards and guidelines issued by the Audit Practices Board and our procedures are not designed to provide assurance over the reliability and quality of your financial statements. This will be undertaken by the Council's appointed External Auditor.

We are required to review controls in place at the Council against predefined control assertions. These controls are included in the following report.

Thank you for all the information you have provided. I would be grateful if you could present this report at the next available meeting of Full Council.

Yours sincerely,

Paul Russell, Internal Auditor

1. Appropriate books of account have been properly kept throughout the year.

The roll forward figure of the prior year's cashbook balances has been reviewed and confirmed. (£9,574.65)

Minutes of the Council are uploaded and available for download via its website. A review of the minutes has been undertaken. [Meetings - Llanvaches Community Council](#)

A review of the Council's financial records has been undertaken. An audit trail has been confirmed between the cash book, invoices and the bank statements.

Financial reports are provided to Council, financial report information is included via links and financial approvals are included in the minutes. This includes a monthly bank reconciliation.

The Council has met this control objective.

2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.

Financial Regulations are based on an old model version and need to be updated. Since these were drafted a number of legislative updates have been made including the Procurement Act 2023.

It is strongly recommended that Council reviews its Financial Regulations to ensure that they meet current legislative requirements. This recommendation also extends to its Standing Orders which are also based on an older version. Please ensure that the limits between the two documents match.

A sample of paid invoices have been reviewed and agree with the cash book. Invoices are presented to Full Council and agreement to approve payment is minuted and a list of payments included in the minutes.

VAT is claimed annually. The claim for the previous financial year has been received (£617.36)

The Council has a debit/credit card in place. A sample of transactions has been reviewed.

The Council has met this control objective.

3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

A copy of the Risk Assessment that was reviewed on 17th July 2024 (Minute 3901.b) has been reviewed.

Council has a sector specific insurance policy in place with Hiscox. Adequate insurance is in place to cover required areas of risk.

The Council is responsible for a play area and an annual inspection has been carried out by Gordon Playground Inspection Company and the play equipment is included on the asset register. Fortnightly inspections are also carried out and formally minuted.

The Council has met this control objective.

- 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.**

A copy of the budget for 2024/25 has been reviewed. The Council adopted the 2024/25 budget at its meeting on 21st November 2023 (minute 3785.c) and set a precept of £10,074.09 which was paid in two tranches.

Noted that the budget for 2025/26 was approved at the Council meeting held on 19th November 2024 (minute 3949.e) and set a precept of £9,537.60.

Budget monitoring reports are produced and approved by Council.

The Council does not have any Earmarked Reserves in place. Suggested that reserves be developed to help fund future liabilities especially with the play area.

The Council has met this control objective.

- 5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.**

No aged debtors identified.

Income streams are limited to the precept, VAT refunds and bank interest.

The Council has met this control objective.

- 6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.**

Council does not operate a petty cash account. **Not covered.**

- 7. Salaries to employees and allowances to members were paid in accordance with contracts/minuted approvals, and PAYE and NI requirements were properly applied.**

The salary figure on the Annual Return matches the amount paid in various salaries and HMRC payments. Annual Return states £3,378.32 and it has been confirmed that this sum only relates to salary payments.

No member remuneration has been paid during the year..

A sample of payslips has been provided. Council uses the HMRC payroll software.

The Council has met this control objective.

8. Asset and investment registers were complete, accurate, and properly maintained.

A copy of the Council's asset register has been provided and the correct asset figure has been included on the Annual Return. (£31,602)

Council is insured with Hiscox insurance and appears to be adequately covered.

There are no long-term investments in place.

The Council does not currently have any outstanding loans.

The Council has met this control objective.

9. Periodic and year-end bank account reconciliations were properly carried out.

Bank reconciliations are presented on a monthly basis and minuted. A year end bank reconciliation has been provided.

The Council has met this control objective.

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.

Council compiles its accounts on a receipts and payments basis. An adequate audit trail is in place for the size of Council and the number of transactions made.

There are no debtors or creditors that have been identified.

The Council has met this control objective.

11. Trust funds (including charitable trusts). The Council has met its responsibilities as a trustee.

The Council does not hold any Trust Funds. **Not covered.**