INTERNAL AUDIT REPORT

Archwilio Mewnol Cyngor Gwynedd

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.

TYWYN TOWN COUNCIL

RHOI **POBL GWYNEDD** YN GANOLOG I BOPETH RYDYM YN EI WNEUD
*PUTTING **THE PEOPLE OF GWYNEDD** AT THE CENTRE OF EVERYTHING WE DO*

FFORDD GWYNEDD

INTERNAL AUDIT
TYWYN TOWN COUNCIL

1. Purpose of the Audit

1.1 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".

1.2 The internal auditor undertook a work program based on an assessment of risk. The scope and scale of the audit was proportionate to the needs, size and circumstances of the Council, and based on a sample of documents.

2. Main Findings

2.1 The control objectives tested and proved to be satisfactorily can be seen in Appendix A.

3. Audit Opinion

Assurance can be expressed in the governance arrangements and the financial statement of Tywyn Town Council for the 2023-24 financial year based on the tests conducted, but there are aspects that could be tightened to mitigate the risks identified. It is recommended that the Council take appropriate steps to mitigate the following risks:

- **Failure to publish an Annual Report in accordance with Chapter 5 of the Local Government and Elections Act (Wales) 2021**
- **Annual precept not derived from adequate budgeting process**

4. Acknowledgements

4.1 The auditor would like to thank the Clerk for all the help and co-operation with the completion of the audit.

LUNED FÔN JONES
Audit Manager
August 2024

APPENDIX A

CONTROL OBJECTIVES AND AUDIT FINDINGS

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. On the basis of the findings in the areas examined, the internal audit conclusions on whether the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Council are summarised below.

- Appropriate books of account have been properly kept throughout the year

- Financial Regulations have been met and payments were supported by invoices
- Expenditure was approved
- VAT was appropriately accounted for

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

- Progress against the budget was regularly monitored
- Reserves were appropriate

- Expected income was fully received, based on correct prices, properly recorded and promptly banked

- Salaries to employees were paid in accordance with minuted approvals
- Allowances to members were paid in accordance with minuted approvals
- PAYE and NI requirements were properly applied

- Asset registers were complete, accurate, and properly maintained

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

- Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payment), agreed with the cashbook, and were supported by an adequate audit trail from underlying records

- The Council has prepared a biodiversity plan and a training plan