



Item 25

Annual Council - 12 May 2026

Internal Auditors Report 2025-2026

1. **Internal Auditor**
2. The Internal Auditor for Llangyfelach Community Council is Ronald Dolbear.
3. The Annual Meeting of Council held on 9 May 2024 resolved that he be retained as Internal Auditor with his term ending with his Internal Audit Report for the Financial Year Ending 31 March 2027.
4. The Internal Auditors fee is £330 per annum for 2024-2027.
5. **Internal Auditors Report**
6. The Internal Auditors Report is attached as **Appendix 25.1** to this report.
7. The Internal Auditors Report is positive; however, he makes the following recommendations:

“The Council continues to develop spending plans annually in line with the precept to ensure reserves do not become disproportionate to need.”

“The Council develops a vision statement to guide it through the budget and precept making process. This could also engage with the community which could enhance local interest in the Councils activities.”
8. **Recommendation.** It is recommended that:
 - 8.1 The Internal Auditor be thanked for the report and paid his fee of £330.
 - 8.2 The views of Council are sought.

Huw Evans (PSLCC)
Clerk to Llangyfelach Community Council

**Internal Audit Report 2025-2026
Year Ended 31 March 2026**

To the Members of the Llangyfelach Community Council

I have conducted an internal audit of the financial statements of the Council for the year ended 31 March 2026. Set out below are the areas covered during the audit and any matters arising.

1. Books of account.

I have examined the EDGE IT System accounts provided by the Clerk and reconciled them to the Annual Return and the bank statements.

The examination has raised some issues which I raised with the clerk, his explanations are in parenthesis:

- 1.1 A payment to Pentagon Design for £138 was entered in the cash book no. 1043 dated 17 April 2025. The payment cleared in the bank on the 10 October 2025. (A typographical error entering the date into Edge IT Systems.)
- 1.2 The Council's Christmas tree purchased at a cost of £480 on the 22 August 2025 was erected, dressed and cleared at a total cost of £460. Members may consider that the purchase of smaller trees may be more economical. (Members approved the purchase of a very tall tree and see it as a significant benefit to the seasonal celebrations.)
- 1.3 The Pea lighting works cost £9,594 dated 8 September 2025. Members might consider seeking quotations from alternative providers or formally requesting Swansea Council to make a financial contribution to this initiative as they as a matter of course provide Xmas decorations to many parts of the County. (There could be complications if private contractors work on Swansea Council land, so it was decided to engage the Swansea Council workforce).

2. Financial Regulations and VAT

The financial records support the accounts and have been properly authorised by Council.

- 2.1 Payments to Low Cost Print limited for £1,527 and £80 VAT has been reclaimed on the £80 but no VAT claimed on £1,527. Usually, businesses are VAT registered or not. (The companies VAT invoices have been entered correctly).

3. Risk Assessment

Council minutes demonstrate that its activities are regularly reviewed, and appropriate consideration is given to risks and benefits of its decisions. The Council has appropriate insurance to cover its risks and liabilities arising from its activities.

4. The Annual Precept Process

Regular budget reports are presented to Council, and the precept process is in accordance with current legislation. The Council has taken steps to reduce the reserve balance by engaging with the Community with its Pea Lighting and daffodil initiatives. The 2026 balance of £17,116 is more appropriate having regard to the Councils' activities.

5. Petty Cash

No formal petty cash arrangements exist. The Clerk is reimbursed for small items of expenditure which are supported by receipts.

6. Salaries

The Clerks salary and related HMRC payments were reconciled to the Clerks annual P60.

7. Asset Register

The asset register was examined, and I am satisfied that it is current and up to date.

8. Financial Reporting.

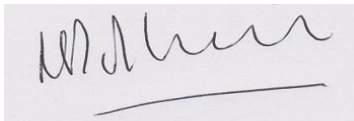
The Council receives regular reports of income and expenditure against the approved budget and an annual variance report. This process is adequate for the range and complexity of the Council's activities

9. Recommendations.

The Council continues to develop spending plans annually in line with the precept to ensure reserves do not become disproportionate to need.

The Council develops a vision statement to guide it through the budget and precept making process. This could also engage with the community which could enhance local interest in the Councils activities.

Ronald Dolbear CPFA



27 April 2026