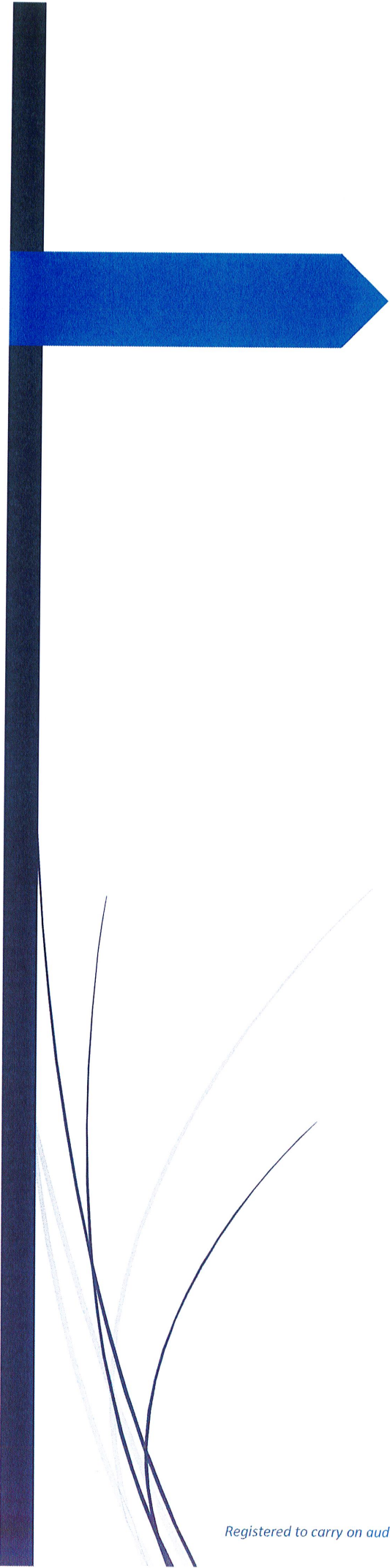




Towyn and Kinmel Bay Town Council

Internal Audit 2025/26

JDH BUSINESS SERVICES LTD

Registered to carry on audit work by the Institute of Chartered Accountants in England and Wales

The internal audit is carried out by the following testing of the internal controls specified on the Annual Return for local councils in Wales:

- Checking that books of account have been properly kept throughout the year
- Checking a sample of payments to ensure that the Council's financial regulations have been met, payments are supported by invoices, expenditure is approved, and
- VAT is correctly accounted for
- Reviewing the Council's risk assessment and ensuring that adequate arrangements are in place to manage all identified risks
- Verifying that the annual precept request is the result of a proper budgetary process; that budget progress has been regularly monitored and that the council's reserves are appropriate
- Checking income records to ensure that the correct price has been charged, income has been received, recorded and promptly banked and VAT is correctly accounted for
- Reviewing petty cash records to ensure payments are supported by receipts, expenditure is approved and VAT is correctly accounted for
- Checking that salaries to employees have been paid in accordance with Council approvals and that PAYE and NI requirements have been properly applied
- Checking the accuracy of the asset and investments registers
- Testing the accuracy and timeliness of periodic and year-end bank account reconciliation(s)
- Review of the year-end financial statements

The interim internal audit provides evidence to support the annual internal audit conclusion on the Annual Return for local councils.

Conclusion

On the basis of the internal audit work carried out, which was limited to the tests indicated above, in our view the council's system of internal controls is in place, adequate for the purpose intended and effective, subject to the recommendations overleaf. As part of the internal audit work for the next financial year we will follow up all recommendations included in the action plan.

JDH Business Services Ltd

April 12th, 2026

ACTION PLAN

	ISSUE	RECOMMENDATION	FOLLOW UP
2025/26 year end internal audit			
<i>No further issues arising – a robust set of year end records have been maintained with a comprehensive audit trail to supporting information.</i>			
2025/26 interim internal audit			
1	For the following income transaction, the invoice describes the hire as one half day, however, the amount charged is the full day rate for commercial hire: • 29/04/2025 ROOM Cashbook Room Hire Invoice 1078 £42.50	<i>Although officers have verified the accuracy of pricing of this invoice, internal controls should ensure all income invoices accurately reflect the customer hire.</i>	