

Community and Town Councils in Wales Annual Return for the Year Ended 31 March 2019

CARDIFF
DATE
- 1 JUL 2019
REC'D

LANGUAGE PREFERENCE

Please indicate how you would like us to communicate with you during the audit. Note that audit notices will be issued bilingually.

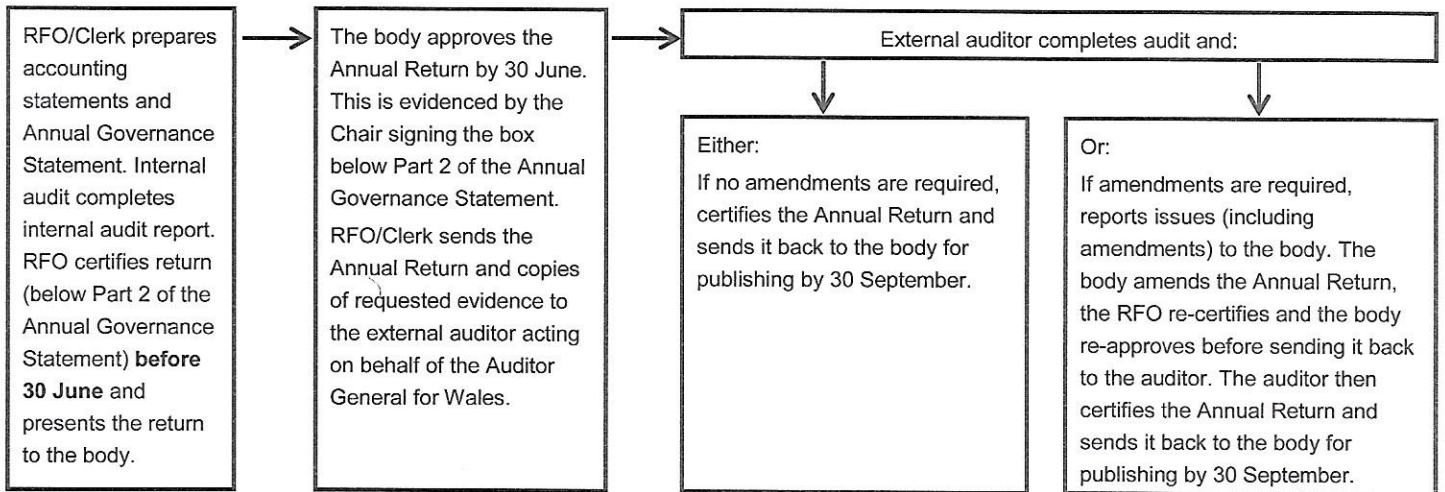
	Yes	No		Yes	No		Yes	No
ENGLISH			WELSH			BILINGUALLY	✓	

THE ACCOUNTS AND AUDIT PROCESS

Section 12 of the Public Audit (Wales) Act 2004 requires community and town councils (and their joint committees) in Wales to make up their accounts each year to 31 March and to have those accounts audited by the Auditor General for Wales. Regulation 14 of the Accounts and Audit (Wales) Regulations 2014 states that smaller local government bodies i.e. those with annual income and expenditure below £2.5 million must prepare their accounts in accordance with proper practices.

For community and town councils and their joint committees, proper practices are set out in the One Voice Wales/Society of Local Council Clerks publication **Governance and accountability for local councils in Wales – A Practitioners’ Guide** (the Practitioners’ Guide). The Practitioners’ Guide requires that they prepare their accounts in the form of an Annual Return. This Annual Return meets the requirements of the Practitioners’ Guide.

The accounts and audit arrangements follow the process as set out below.



Please read the guidance on completing this Annual Return and complete all sections highlighted in red including BOTH sections of the Annual Governance Statement.

APPROVING THE ANNUAL RETURN

There are two boxes for certification and approval by the body. The second box is only required if the Annual Return has to be amended as a result of the audit. You should only complete the top box before sending the form to the auditor.

The council must approve the Annual Return BEFORE the accounts and supporting documents are made available for public inspection under section 30 of the Public Audit (Wales) Act 2004.

The Auditor General for Wales’ Audit Certificate and report is to be completed by the auditor acting on behalf of the Auditor General. It MUST NOT be completed by the Clerk/RFO, the Chair or the internal auditor.

Audited and certified returns are sent back to the body for publication and display of the accounting statements,

Accounting statements 2018-19 for:

Name of body: Insert name of body *Ceiriog Uchaf Cynghar Cymuned*

	Year ending		Notes and guidance for compilers
	31 March 2018 (£)	31 March 2019 (£)	

Please round all figures to nearest £.
Do not leave any boxes blank and report £0 or nil balances.
All figures must agree to the underlying financial records for the relevant year.

Statement of income and expenditure/receipts and payments

1. Balances brought forward	6779	5542	Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to line 7 of the previous year.
2. (+) Income from local taxation/levy	2000	2000	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	43	527	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	1000	1000	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and related expenses eg. termination costs.
5. (-) Loan interest/capital repayments			Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	2280	2843	Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	5542	4226	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).

Statement of balances

8. (+) Debtors and stock balances			Income and expenditure accounts only: Enter the value of debts owed to the body and stock balances held at the year-end.
9. (+) Total cash and investments	5542	4226	All accounts: The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must agree with the reconciled cashbook balance as per the bank reconciliation.
10. (-) Creditors			Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	5542	4226	Total balances should equal line 7 above: Enter the total of (8+9-10).
12. Total fixed assets and long-term assets			The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing			The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

14. Trust funds disclosure note	Yes	No	N/A	Yes	No	N/A	The body acts as sole trustee for and is responsible for managing (a) trust fund(s)/assets (readers should note that the figures above do not include any trust transactions).

Annual Governance Statement (Part 1)

We acknowledge as the members of the Council/Board/Committee, our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2019, that:

	Agreed?		'YES' means that the Council/Board/Committee:	PG Ref
	Yes	No*		
1. We have put in place arrangements for: <ul style="list-style-type: none"> effective financial management during the year; and the preparation and approval of the accounting statements. 	✓		Properly sets its budget and manages its money and prepares and approves its accounting statements as prescribed by law.	6, 12 X
2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.	✓		Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.	6, 7 X
3. We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the Council/Board/Committee to conduct its business or on its finances.	✓		Has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.	6
4. We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014.	✓		Has given all persons interested the opportunity to inspect the body's accounts as set out in the notice of audit.	6, 23
5. We have carried out an assessment of the risks facing the Council/Board/Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		Considered the financial and other risks it faces in the operation of the body and has dealt with them properly.	6, 9
6. We have maintained an adequate and effective system of internal audit of the accounting records and control systems throughout the year and have received a report from the internal auditor.	✓		Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the body.	6, 8
7. We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the Council/Board/Committee and, where appropriate, have included them on the accounting statements.	✓		Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.	6
8. We have taken appropriate action on all matters raised in previous reports from internal and external audit.	✓		Considered and taken appropriate action to address issues/weaknesses brought to its attention by both the internal and external auditors.	6, 8, 23
9. Trust funds – in our capacity as trustee, we have: <ul style="list-style-type: none"> discharged our responsibility in relation to the accountability for the fund(s) including financial reporting and, if required, independent examination or audit. 			Has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.	3, 6

* Please provide explanations to the external auditor on a separate sheet for each 'no' response given; and describe what action is being taken to address the weaknesses identified.


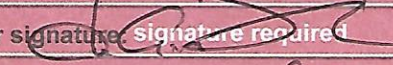
Annual Governance Statement (Part 2)

	Agreed?			'YES' means that the Council/Board/Committee:
	Yes	No*	N/A	
1. We have adopted standing orders and financial regulations as appropriate.			✓	Has properly established its internal rules setting out how it will conduct its business.
2. We have ensured that the Council's standing orders and financial regulations have been followed for all relevant transactions.			✓	Has followed its internal rules and reviewed its compliance with those rules
3. All committees and sub-committees of the council have been properly established and provided with appropriate terms of reference setting out the delegated responsibilities to make decisions or recommendations.			✓	Has ensured that where applicable, the Council has properly delegated its responsibilities to committees

* Please delete as appropriate.

Council/Board/Committee approval and certification

The Council/Board/Committee is responsible for the preparation of the accounting statements in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014 and for the preparation of the Annual Governance Statement.

Certification by the RFO	Approval by the Council/Board/Committee
I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Council/Board/Committee, and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2019.	I confirm that these accounting statements and Annual Governance Statement were approved by the Council/Board/Committee under minute reference:
	Insert minute reference and date of meeting 179 / JUNE / 2019
RFO signature: 	Chair signature: 
Name: name required E. N. WILLIAMS.	Name: name required CHRISTOPHER
Date: dd/mm/yyyy 28. VI. 2019.	Date: dd/mm/yyyy 28/06/2019

Council/Board/Committee re-approval and re-certification (only required if the Annual Return has been amended at audit)

Certification by the RFO	Approval by the Council/Board/Committee
I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Council/Board/Committee, and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2019.	I confirm that these accounting statements and Annual Governance Statement were approved by the Council/Board/Committee under minute reference:
	Insert minute reference and date of meeting
RFO signature: signature required	Chair signature: signature required
Name: name required	Name: name required
Date: dd/mm/yyyy	Date: dd/mm/yyyy

Auditor General for Wales' Audit Certificate and report

The external auditor conducts the audit on behalf of, and in accordance with, guidance issued by the Auditor General for Wales. On the basis of their review of the Annual Return and supporting information, they report whether any matters that come to their attention give cause for concern that relevant legislation and regulatory requirements have not been met.

We certify that we have completed the audit of the Annual Return for the year ended 31 March 2019 of:

Ceiriog Uchaf Community Council

External auditor's report

[Except for the matters reported below]* On the basis of our review, in our opinion, the information contained in the Annual Return is in accordance with proper practices and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

Standing Orders

We note that the Council has failed to adopt a set of Standing Orders. It is a mandatory requirement for councils to have Standing Orders in place. Model versions of Standing Orders are available from One Voice Wales or SLCC. Standing Orders are the set of rules by which the council conducts its business. It must also define the arrangements for entering into a procurement contract. As the Council has failed to adopt a set of Standing Orders, the correct response to Assertion 1 & 2 on the Annual Governance Statement (Part 2) should be 'No'.

Financial Regulations

We note that the Council has failed to adopt Financial Regulations. It is a mandatory requirement for councils to have Financial Regulations in place. Model versions of Financial Regulations are available from One Voice Wales or SLCC. Financial Regulations provide a framework setting out the council's approved financial systems to secure the proper administration of its finances. Such regulations may contain directions that must be followed and more general guidelines to achieve good financial control. As the Council has failed to adopt a set of Financial Regulations, the correct response to Assertion 1 & 2 on the Annual Governance Statement (Part 2) should be 'No'.

Independence of internal auditor

The Internal Auditor was involved in preparing the figures for the Annual Return. This could affect their independence. The Internal Auditor must not be requested to undertake tasks that may compromise their independence, such as completing the Accounting Statement on the Annual Return.

Certification by the RFO after the Annual governance statement and Accounting statements have been signed and approved

Regulation 15(1) of the Accounts and Audit Regulations (Wales) 2014 stipulates that the Responsible Financial Officer must sign and date the Accounting statements to certify that it presents fairly the financial position of the authority and its income and expenditure, or properly presents receipts and payments as the case may be. Regulation (2) stipulates that when the Responsible Financial Officer has complied with paragraph (1) the authority must, in the following order: (a) consider the statement of accounts by the members meeting as a whole; (b) approve the statement of accounts by resolution; and (c) ensure the statement of accounts is signed and dated by the person presiding at the meeting at which that approval is given. The Responsible Financial Officer must, therefore, certify the Accounting statements before the authority considers, approves and signs them. The Responsible Financial Officer for the Council has certified the Accounting statements on 28 June 2019, after the Council approved them on 11 June 2019. The correct answer to the Annual Governance Statement, Assertion 1 is 'No'.

[[These matters along with]* Other matters not affecting our opinion, which we draw to the attention of the body and our recommendations for improvement are included in our report to the body dated 27/9/19.]

Other matters and recommendations

On the basis of our review, we draw the body's attention to the following matters and recommendations which do not affect our audit opinion but should be addressed by the body.

See letter dated 27/9/19

External auditor's name:

Grant Thornton UK LLP

External auditor's signature:

Grant Thornton UK LLP

Date:

20/9/2019.

For and on behalf of the Auditor General for Wales

Ceiriog Uchaf Community Council - Auditor General for Wales' Audit Certificate and report

The Auditor General for Wales issued Ceiriog Uchaf Community Council a qualified audit report. Details of the matters which have led to the qualification are detailed below:

Standing Orders

We note that the Council has failed to adopt a set of Standing Orders. It is a mandatory requirement for councils to have Standing Orders in place. Model versions of Standing Orders are available from One Voice Wales or SLCC.

Standing Orders are the set of rules by which the council conducts its business. Typically, it would define how council business is to be conducted which would include how many members constitute a quorum. It must also define the arrangements for entering into a procurement contract.

As the Council has failed to adopt a set of Standing Orders, the correct response to Assertion 1 & 2 on the Annual Governance Statement (Part 2) should be 'No'.

In future years, the council should ensure a set of Standing Orders is adopted and regularly reviewed by the Council with consideration at a council meeting.

Financial Regulations

We note that the Council has failed to adopt Financial Regulations. It is a mandatory requirement for councils to have Financial Regulations in place. Model versions of Financial Regulations are available from One Voice Wales or SLCC.

Financial Regulations provide a framework setting out the council's approved financial systems to secure the proper administration of its finances. Such regulations may contain directions that must be followed and more general guidelines to achieve good financial control.

As the Council has failed to adopt a set of Financial Regulations, the correct response to Assertion 1 & 2 on the Annual Governance Statement (Part 2) should be 'No'.

In future years, the Council should ensure Financial Regulations are adopted and regularly reviewed by the council, with consideration at a council meeting.

Independence of internal auditor

The Internal Auditor was involved in preparing the figures for the Annual Return. This could affect their independence. The Internal Auditor must not be requested to undertake tasks that may compromise their independence, such as completing the Accounting Statement on the Annual Return.

Certification by the RFO after the Annual governance statement and Accounting statements have been signed and approved

Regulation 15(1) of the Accounts and Audit Regulations (Wales) 2014 stipulates that the Responsible Financial Officer must sign and date the Accounting statements to certify that it presents fairly the financial position of the authority and its income and expenditure, or properly presents receipts and payments as the case may be. Regulation (2) stipulates that when the Responsible Financial Officer has complied with paragraph (1) the authority must, in the following order:

- (a) consider the statement of accounts by the members meeting as a whole; 1
- (b) approve the statement of accounts by resolution; and 1
- (c) ensure the statement of accounts is signed and dated by the person presiding at the meeting at which that approval is given.

The Responsible Financial Officer must, therefore, certify the Accounting statements before the authority considers, approves and signs them.

The Responsible Financial Officer for the Council has certified the Accounting statements on 28 June 2019, after the Council approved them on 11 June 2019. In future, the Council should ensure that the Responsible Financial Officer certifies the Accounting statements **before** the authority considers, approves and signs them in accordance with Regulation 15. The correct answer to the Annual Governance Statement, Assertion 1 is 'No'.

Additionally, during our review we identified some other matters that we wish to draw to the Council's attention which do not affect our audit opinion but should be addressed by the Council.

Independence of internal auditor

The Internal Auditor was involved in preparing the figures for the Annual Return. This could affect their independence. The Internal Auditor must not be requested to undertake tasks that may compromise their independence, such as completing the Accounting Statement on the Annual Return.

Certification by the RFO after the Annual governance statement and Accounting statements have been signed and approved

Regulation 15(1) of the Accounts and Audit Regulations (Wales) 2014 stipulates that the Responsible Financial Officer must sign and date the Accounting statements to certify that it presents fairly the financial position of the authority and its income and expenditure, or properly presents receipts and payments as the case may be. Regulation (2) stipulates that when the Responsible Financial Officer has complied with paragraph (1) the authority must, in the following order:

- (a) consider the statement of accounts by the members meeting as a whole; 1
- (b) approve the statement of accounts by resolution; and 1
- (c) ensure the statement of accounts is signed and dated by the person presiding at the meeting at which that approval is given.

The Responsible Financial Officer must, therefore, certify the Accounting statements before the authority considers, approves and signs them.

The Responsible Financial Officer for the Council has certified the Accounting statements on 28 June 2019, after the Council approved them on 11 June 2019. In future, the Council should ensure that the Responsible Financial Officer certifies the Accounting statements **before** the authority considers, approves and signs them in accordance with Regulation 15. The correct answer to the Annual Governance Statement, Assertion 1 is 'No'.

Additionally, during our review we identified some other matters that we wish to draw to the Council's attention which do not affect our audit opinion but should be addressed by the Council.

Audited Body Name..... Ceiriog Vchaf Community Council.

NOTICE OF CONCLUSION OF AUDIT

Accounts year ended 31 March 2019

Section 29 of the Public Audit (Wales) Act 2004

The Accounts and Audit (Wales) Regulations 2014

Insert date of placing the Notice

1. Date of Notice 1 / 10 / 2019.

The date of conclusion of the audit is the date shown on the Auditor's Certificate and Report on the Annual Return.

2. Notice

The Audit of the Council's Accounts for the above year has been concluded on

20.9.19.
..... by Grant Thornton UK LLP for and on Behalf of the Auditor General for Wales.

The Accounts must be published on conclusion of the Audit or on 30th September whichever is the earlier.

3. Publication of Accounts.

A copy of the Statement of Accounts and the Auditor's Certificate and Report thereon has been published.

Notice of these rights is required by the Act.

4. Local Government Elector's Rights

A Local Government Elector for the Council may obtain, inspect or take a copy of the Statement of Accounts and Auditor's Certificate and Report by arrangement with the Clerk at the address and times set out below. Copies will be provided to any local government elector on payment of £.....1..... for each copy of the Annual Return.

Complete as locally appropriate

5. Days and times of availability

Phone 01691 600 222.
.....
.....

Complete as locally appropriate

6. Address where the Documents may be inspected or purchased

Hendre
.....

Tregeiriog
.....

LL 20 7 HT
.....

Complete as appropriate

7. Signature and name of person giving Notice on behalf of Council

Gyn Williams
..... Clerk and / or Responsible Financial Officer

Amend if necessary

This Notice is to be displayed for 14 days.