

Community and Town Councils in Wales

Annual Return for the Year Ended 31 March 2022

Accounting statements 2021-22 for:

Name of body: **LLAY COMMUNITY COUNCIL**

	Year ending		Notes and guidance for compilers
	31 March 2021 (£)	31 March 2022 (£)	
Statement of income and expenditure/receipts and payments			
1. Balances brought forward	219,447	214,695	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	75,743	75,743	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	16,581	23,764	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	39,025	39,908	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	NIL	NIL	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	58,051	79,452	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	214,695	194,842	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).
Statement of balances			
8. (+) Debtors	NIL	NIL	Income and expenditure accounts only: Enter the value of debts owed to the body at the year-end.
9. (+) Total cash and investments	214,695	194,842	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	NIL	NIL	Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	214,695	194,842	Total balances should equal line 7 above: Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	27,109	42,365	The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing	NIL	NIL	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
14. Trust funds disclosure note	<div style="display: flex; justify-content: space-around;"> Yes <input type="radio"/> No <input type="radio"/> N/A <input type="radio"/> </div>	<div style="display: flex; justify-content: space-around;"> Yes <input type="radio"/> No <input type="radio"/> N/A <input checked="" type="radio"/> </div>	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

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 2022, 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.	<input checked="" type="radio"/>	<input type="radio"/>	Properly sets its budget and manages its money and prepares and approves its accounting statements as prescribed by law.	6, 12	
2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.	<input checked="" type="radio"/>	<input type="radio"/>	Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.	6, 7	
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.	<input checked="" type="radio"/>	<input type="radio"/>	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.	<input checked="" type="radio"/>	<input type="radio"/>	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.	<input checked="" type="radio"/>	<input type="radio"/>	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.	<input checked="" type="radio"/>	<input type="radio"/>	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.	<input checked="" type="radio"/>	<input type="radio"/>	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.	<input checked="" type="radio"/>	<input type="radio"/>	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.	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	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 auditors

* 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.

Additional disclosure notes*

The following information is provided to assist the reader to understand the accounting statement and/or the Annual Governance Statement

1. Expenditure under S137 Local Government Act 1972 and S2 Local Government Act 2000

Section 137(1) of the 1972 Act permits the Council to spend on activities for which it has no other specific powers if the Council considers that the expenditure is in the interests of, and will bring direct benefit to, the area or any part of it, or all or some of its inhabitants, providing that the benefit is commensurate with the expenditure. Section 137(3) also permits the Council to incur expenditure for certain charitable and other purposes. The maximum expenditure that can be incurred under both section 137(1) and (3) for the financial year 2021-22 was £8.41 per elector.

In 2021-22, the Council made payments totalling £ NIL under section 137. These payments are included within 'Other payments' in the Accounting Statement.

2.

3.

* Include here any additional disclosures the Council considers necessary to aid the reader's understanding of the accounting statements and/or the annual governance statement.

Council/Board/Committee approval and certification

The Council/Committee is responsible for the preparation of the accounting statements and the annual governance statement in accordance with the requirements of the Public Audit (Wales) Act 2004 (the Act) and the Accounts and Audit (Wales) Regulations 2014.

Certification by the RFO

I certify that the accounting statements contained in this Annual Return present fairly the financial position of the Council/Board/Committee, and its income and expenditure, or properly present receipts and payments, as the case may be, for the year ended 31 March 2022.

RFO signature:

Name: Mark J Williams, Clerk

Date:

18/05/2022

Approval by the Council/Board/Committee

I confirm that these accounting statements and Annual Governance Statement were approved by the Council/Board/Committee under minute reference:

Minute ref: MAY 2022 PARA 7 LINES 4-6

Chair of meeting signature:

Name: Bryan Apsley

Date:

18.5.2022

Auditor General for Wales' Audit Certificate and report

I report in respect of my audit of the accounts under section 13 of the Act, whether any matters that come to my attention give cause for concern that relevant legislation and regulatory requirements have not been met. My audit has been conducted in accordance with guidance issued by the Auditor General for Wales.

I certify that I have completed the audit of the Annual Return for the year ended 31 March 2022 of:

Llay Community Council

Auditor General's report

Audit opinion – Unqualified

On the basis of my review, in my opinion no matters have come to my attention giving cause for concern that in any material respect, the information reported in this Annual Return:

- has not been prepared in accordance with proper practices;
- that relevant legislation and regulatory requirements have not been met;
- is not consistent with the Council's governance arrangements; and
- that the Council does not have proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

Other matters arising and recommendations

I draw the Council's attention to the following matters and recommendations which do not affect my audit opinion but should be addressed by the body:

Publication of minutes

We identified during the audit that one set of approved minutes were not initially published on the Council's website. The Clerk has now corrected this. We recommend that the Council periodically reviews its website to ensure all relevant documents are published.

Compliance with Standing Orders

As part of the audit, we test larger transactions to ensure the Council has, where appropriate, complied with its standing orders eg obtaining quotes. Our audit identified that the Council does obtain quotes for larger value contracts. However, we established this by examination of minutes. The original quotes were unavailable. The minutes examined did not provide sufficient information to identify which company had been awarded the contract.

We recommend that original quotes are retained for audit and that the Council records in its minutes the supplier whose quote is accepted.

Closed meetings

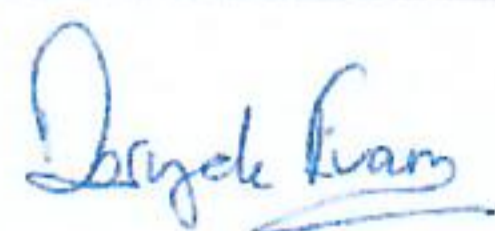
Our audit process checks that staff are paid in accordance with contracts of employment as amended by updated terms or for changes in salary agreed at meetings.

We noted as part of our review of staff costs that changes to staff salaries are not recorded in the minutes. Salaries are discussed without staff present but it appears that these sections of meetings are not properly minuted. The Council must keep minutes of all of its proceedings. Where matters are discussed in camera, the minutes should record this. Separate minutes should then be prepared for the in camera session. Such minutes are not then published with the minutes of the open meeting.

Income records

Our audit testing of income identified that there is scope for the Council to improve its records of income received. In particular, the Council's online payments for burial fees was not straightforward to follow. This was particularly the case for charges related to headstones.

We recommend that the Council reviews its records to ensure there is a clear audit trail between burial records and its receipt of burial and other fees.



Deryck Evans, Audit Manager, Audit Wales
For and on behalf of the Auditor General for Wales

Date: 13/02/2023

* Delete as appropriate.

Internal Audit Report 2021-22: Llay Community 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/SLCC publication "Governance and accountability for local councils in Wales – A Practitioners' Guide (as amended December 2014)".

2. Main Findings

- 2.1 The control objectives tested and audit findings can be seen in the Appendix.

3. Audit Opinion

- 3.1 Assurance can be expressed in the governance arrangements and the financial statement of Llay Community Council for the financial year 2021-22 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 risks.

4. Acknowledgements

- 4.1 I would like to take this opportunity to thank the Clerk for his help and co-operation with the completion of the audit.

Anthony Lewis

April 2022

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
9. Periodic and year-end bank account reconciliations were properly carried out.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Insert text
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.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Insert text
11. Trust funds (including charitable trusts). The Council/Board/Committee has met its responsibilities as a trustee.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Insert text

For any risk areas identified by the Council/Board/Committee (list any other risk areas below or on separate sheets if needed) adequate controls existed:					
	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
12. Insert risk area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Insert text
13. Insert risk area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Insert text
14. Insert risk area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Insert text

* If the response is 'no', please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

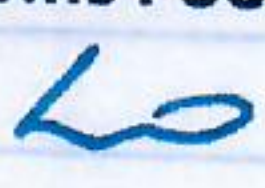
** If the response is 'not covered', please state when the most recent internal audit work was done in this area and when it is next planned, or if coverage is not required, internal audit must explain why not.

[My detailed findings and recommendations which I draw to the attention of the Council/Board/Committee are included in my detailed report to the Council/Board/Committee dated _____.] * Delete if no report prepared.

Internal audit confirmation

I/we confirm that as the Council's internal auditor, I/we have not been involved in a management or administrative role within the body (including preparation of the accounts) or as a member of the body during the financial years 2020-21 and 2021-22. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit: Anthony Lewis FCCA ACA

Signature of person who carried out the internal audit: 

Date: 3 MAY 2022