

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

LANGUAGE PREFERENCE

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

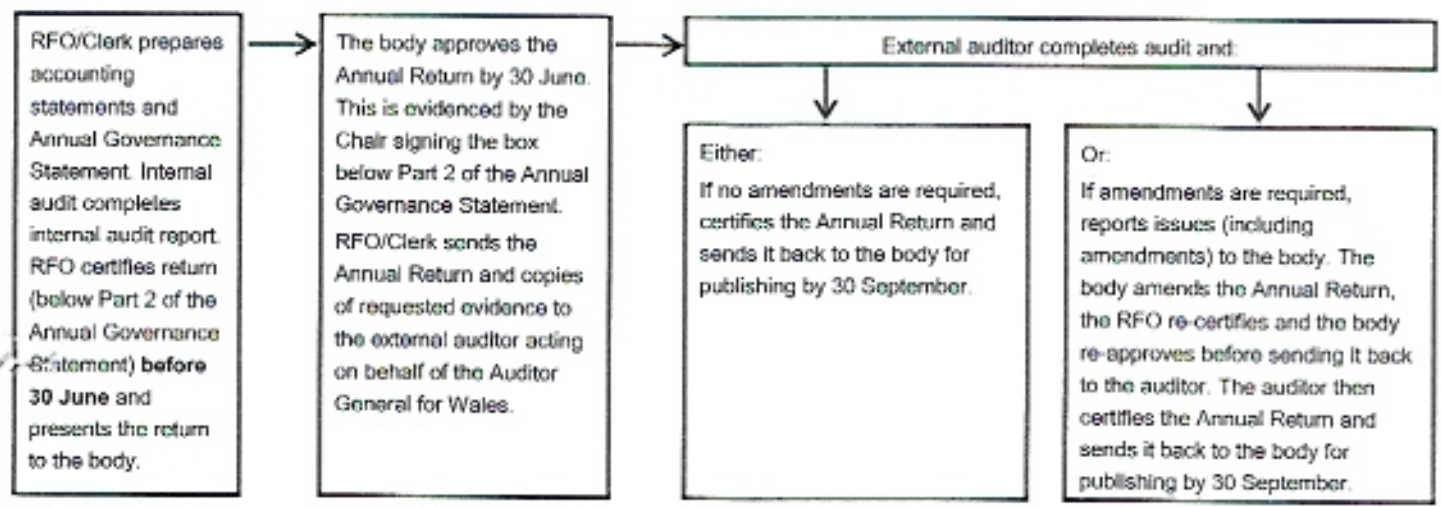
		Yes	No			Yes	No			Yes	No
ENGLISH	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	WELSH	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	BILINGUALLY	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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, Annual Governance Statement and the Auditor General for Wales' certificate and report.

29/9/19. *Duffy* 1

Accounting statements 2018-19 for:

Name of body:

Insert name of body

LANCASHIRE COMMUNITY COUNCIL

	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.

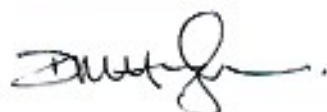
Statement of income and expenditure/receipts and payments

1. Balances brought forward	8,287	9,620	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	10,066	10,579	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	4,739	68,143	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	4,120	3,591	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	9,352	41,529	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	9,620	46,813	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	163	NIL	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	9,497	46,813	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	(46)	(33,282)	Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	9,620	13,531	Total balances should equal line 7 above: Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	9,734	10,034	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	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).
		✓			✓		

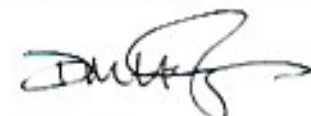
29/9/19. 

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
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
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.

21/9/19. 

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
RFO signature: <i>signature required</i>	Chair signature: <i>signature required</i>
Name: name required <i>DAVID WESTERN</i>	Name: name required <i>DAVID MARGYNS THURTES</i>
Date: dd/mm/yyyy <i>29/09/2019</i>	Date: dd/mm/yyyy <i>29/09/2019</i>

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

29/9/19. *signature*

Auditor General for Wales' Audit Certificate and report

I have conducted my audit on behalf of, and in accordance with, guidance issued by the Auditor General for Wales. On the basis of my review of the Annual Return and supporting information, I report whether any matters that come to my attention give cause for concern that relevant legislation and regulatory requirements have not been met. I certify that I have completed the audit of the Annual Return for the year ended 31 March 2019 of:

Llancarfan Community Council

External auditor's report

Audit opinion

I am required by law to satisfy myself that:

- the council's accounts are prepared in accordance with the Accounts and Audit (Wales) Regulations 2014 (the Regulations);
- the accounts comply with all other statutory provisions applicable to the accounts;
- proper practices have been observed in compiling the accounts; and
- that the council has made proper arrangements for securing economy efficiency and effectiveness in its use of resources.

On the basis of my review, in my opinion, the accounting statements have not been prepared in accordance with the Regulations or proper practice:

- The accounts have not been prepared on the correct accounting (receipts and payments) basis.
- The closing balance for the year to 31 March 2018 (line 7 and 11) and the opening balance for the year ended 31 March 2019 (line 1) should read £9,497. Total other payments (line 6) reported for the year ended 31 March 2019 is overstated and should read £37,815.
- Line 8 Debtors and line 10 Creditors should be recorded as £0.
- The closing balance for the year ended 31 March 2019 (line 11) should read £46,813.

In my opinion, the following assertions in the Council's Annual Governance Statement do not accurately reflect the Council's governance arrangements:

Assertion 1: The Council states it has put in place arrangements for the preparation and approval of accounts.

The Regulations (regulation 15) require the Council to approve the accounts by 30 June 2019. The Council did not in fact approve the accounts until 29 September 2019.



Adrian Crompton
Auditor General for Wales

Date:
17 December 2020

* Delete as appropriate.

External auditor's name

External auditor's signature

Date

For and on behalf of the Auditor General for Wales

29/4/19

