

Abermule (with) Llandyssil Community Council - Auditor General for Wales' Audit Certificate and report

The Auditor General for Wales issued Abermule (with) Llandyssil Community Council a qualified audit report. Details of the matters which have led to the qualification are detailed below:

Notice of Appointment of Date for the Exercise of Electors' Rights

Regulations 16, 17 and 22 of the Accounts and Audit (Wales) Regulations 2014 set out the procedures to be followed for the exercise of electors' rights under the Public Audit (Wales) Act 2004.

We note that the Notice of Appointment of Date for the Exercise of Electors' Rights commenced on the 30 April 2018, this is before the Council approved the Accounting statements and Annual Governance statement on 02 May 2018. Regulation stipulates that any rights of objection, inspection and questioning of the external auditor may only be exercised within a single period of 20 working days. However, due to the approval by Council occurring after the commencement date, the Council has not met the requirements of Accounts and Audit (Wales) Regulations 2014. Therefore, we feel that the response to Assertion 4 should be 'No' per the Annual Governance Statement on the Annual Return.

In future years, the Council must ensure that the Annual Return is approved by the Council before the Notice of Appointment of Date for the Exercise of Electors' Rights period commences in order to comply with the Accounts and Audit (Wales) Regulations 2014.

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.

Accounting Statement, Box 9- (+) Total Cash and investments

The figure entered in Box 9, on the Accounting Statement, total cash and investments is understated by £22,958 in 2017 and £20,908 in 2018. The correct figure should be £22,958 in 2017 and £20,908 in 2018.

In future, the Council should ensure that figures are correctly stated on the Accounting Statement.

The Council should restate the 2017 figures on next year's Annual Return and write "restated" beneath the £ sign on the 2017 column.

Accounting Statements – Precept amount

The figure entered in Box 2 on the Accounting Statements, income from local taxation/levy is understated by £686 for 2018. The correct figure should be £29,000. The Council has offset the Powys election fees against income rather than recording the precept gross and recording the fees as an item of expenditure.

As such, the figure entered in Box 6 on the Accounting Statements, total other payments is also understated by £686 for 2018. The correct figure should be £31,360.

The Council should restate the 2018 figures on next year's Annual Return and write "restated" beneath the £ sign on the 2018 column.

Timing of internal audit

The Council approved the Accounting Statement on the Annual Return on 02 May 2018, and has responded "Yes" to assertion 6, confirming that the Council has maintained throughout the year an adequate and effective system of internal audit of the Council's accounting records and control systems.

The Internal Auditor Report on the annual Return was completed by the Internal Auditor on 06 Jun 2018, 35 days after the Council gave a positive response to assertion 6 on Annual Governance Statement on the Annual Return.

If the Council gives a positive response to assertion 6 before the independent Internal Auditor has completed their report on the Internal Auditor Report, the Council must be able to explain on what basis it was appropriate to give a positive response to the assertion that it has maintained throughout the year an adequate and effective system of internal audit of the Council's accounting records and control systems.

Minute reference and date of approval

The minute reference and date of approval of the Accounting Statement and the Annual Governance statement is blank. The Council has confirmed that these should read **100-18** and **02 May 2018**.

Yours sincerely,

Grant Thornton UK Ltd.

For and on behalf of the Auditor General for Wales

Reference: WAL206

Date: 16 August 2018