

Community and Town Councils in Wales

Annual Return for the Year Ended 31 March 2020

Accounting statements 2019 – 2020 for:

Name of body: **Penbryn Community Council**

	Year ending		Notes and guidance for compilers
	31 March 2019 (£)	31 March 2020 (£)	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		3,511	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		11,500	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts		2,226	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs		3,541	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, taxable allowances, PAYE and NI (employees and employers), pension contributions and termination costs. Exclude reimbursement of out-of-pocket expenses.
5. (-) Loan interest/capital repayments		0	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments		8,241	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		5,455	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).
Statement of balances			
8. (+) Debtors		0	Income and expenditure accounts only: Enter the value of debts owed to the body at the year-end.
9. (+) Total cash and investments		5,455	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		0	Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward		5,455	Total balances should equal line 7 above: Enter the total of (8+9-10).
12. Total fixed assets and long-term assets		0	The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing		0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

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 2021, 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. 	x		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.	x		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.	x		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.	x		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.	x		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.	x		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.	x		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.	x		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 – The body acts as sole trustee for and is responsible for managing trust fund(s)/assets. We exclude transactions related to these trusts from the Accounting Statement. In our capacity as trustee, we have discharged our responsibility in relation to the accountability for the fund(s) including financial reporting and, if required, independent examination or audit.	Yes	No	N/A	3, 6
			x	

* 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 prepared and approved minutes for all meetings held by the Council (including its committees) that accurately record the business transacted and the decisions made by the Council or committee.				Has kept and approved minutes in accordance with Schedule 12, Paragraph 41 of the Local Government Act 1972.
2. We have ensured that the Council's minutes (including those of its committees) are available for public inspection and have been published electronically.				Has made arrangements for the minutes to be available for public inspection in accordance with section 228 of the Local Government Act 1972 and has published the minutes on its website in accordance with section 55 of the Local Government (Democracy) (Wales) Act 2013.

* 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 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 2020.	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:
RFO signature: <i>C. A. Harries</i>	Minute ref:
Name: <i>CAROL ANN HARRIES</i>	Chair signature:
Date: <i>18/10/2024</i>	Name:
	Date:

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

Certification by the RFO 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 2020.	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:
RFO signature:	Minute ref:
Name:	Chair signature: <i>D. Sullivan</i>
Date:	Name:
	Date: <i>18/10/2024</i>

Auditor General's report and audit opinion

I certify that I have completed the audit of the Annual Return for the year ended 31 March 2020 of **Penbryn Community Council**. My audit has been conducted on behalf of the Auditor General for Wales and in accordance with the requirements of the Public Audit (Wales) Act 2004 (the 2004 Act) and guidance issued by the Auditor General for Wales.

Audit opinion: Qualified

Except for the matters reported below in my Basis for Qualification, on the basis of my audit, in my opinion no matters have come to my attention to give 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 legislative 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.

Basis of Qualification

Accounting Statement

I am unable to conclude whether or not the Accounting Statement properly/fairly presents the Council's receipts and payments/income and expenditure and financial position:

- The Council has not provided sufficient information for me to complete my programme of work
- The Council has not provided comparative amounts for the 2018-19 financial year
- The opening balance for the 2019-20 financial year is not equal to the closing balance stated on the Council's 2018-19 Accounting Statement

Annual Governance Statement

In my opinion, the Annual Governance Statement is not consistent with the Council's internal controls and governance arrangements for the year:

The Council has provided positive responses to each of the assertions in the Annual Governance Statement. However, my audit identified the following:

- Assertion 1: The Council did not approve the accounts by 30 June 2020 as required by the Accounts and Audit (Wales) Regulations 2014

- Assertion 2: My examination of the Council records identified no evidence that the Council had established an adequate and effective system of internal control
- Assertion 4: The Council did not make arrangements for public inspection of accounts in 2020
- Assertion 6: The Council did not have in place an adequate and effective system of internal audit for the year.

Arrangements to secure economy, efficiency and effectiveness in use of resources

I am unable to conclude whether or not the Council has proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources

- The Council did not provide sufficient information for me to complete my programme of audit work

Other matters 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 Council.

Requirement to prepare accounts and submit the accounts for audit

The Public Audit (Wales) Act 2004 requires the Council to make up its accounts to 31 March each year and for the Auditor General to audit the accounts. The Accounts and Audit (Wales) Regulations 2014 require the Council to approve the accounts by 30 June immediately following the year end.

Every year, we issue an audit notice to the Council setting out the timetable for submission of accounts for audit. Submission of the accounts is usually required in July or August each year

The Council has failed to comply with these requirements for every year since 2014-15. The 2019-20 to 2022-23 accounts were only provided for audit in February 2025.

In the meantime, the Council continued to raise a precept that is payable by the Council's residents without properly meeting its duty to account for these funds. In this respect, the Council is failing its responsibility for accountability to its residents.

We recommend that:

- the Council establishes a standing item for its June meetings to receive and approve the accounts
- if the accounts are not available for this meeting, the Council establishes what has gone wrong and takes the necessary steps to ensure the Clerk prepares the accounts as soon as possible thereafter.

Information required for audit

Our annual audit notice sets out the information the Council is required to submit for audit.

We recommend that the Council uses this notice as a checklist to ensure it provides all relevant information

There are no further matters I wish to draw to the Council's attention.

 Richard Harries, Director, Audit Wales For and on behalf of the Auditor General for Wales	Date: 13/05/2025
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Annual internal audit report to:

Name of body: **Penbryn Community Council**

The Council/Board/Committee's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ending 31 March 2020.

The internal audit has been carried out in accordance with the Council/Board/Committee's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Council/Board/Committee.

	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**	
1. Appropriate books of account have been properly kept throughout the year.	x				
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	X				
3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	x				
4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.	x				
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	x				
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.	x				
7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied.		x			No evidence that the PAYE payments were cleared by HMRC
8. Asset and investment registers were complete, accurate, and properly maintained.	x				

	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.	x				
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.	x				
11. Trust funds (including charitable trusts). The Council/Board/Committee has met its responsibilities as a trustee.			x		

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.					
13.					
14.					

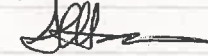
* If the response is 'no', please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

** 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 2019-20 and 2020-21. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit:	JULIAN HARRIES
Signature of person who carried out the internal audit:	
Date:	12/2/2025

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Income & Expenditure accounts for the year ended 31/03/2020

Income

CCC		11500
Hoffnant		1464.8
Interest recd		3.9
O/S cheques written back		<u>756.84</u>
		13725.54

Less: expenditure

Wages	3541.3	
Admin Costs	172.72	
Donations	4850	
Aelodaeth	213	
Annual Allowances	264	
Defibrillator	2135	
Hall Hire	84	
Ins	<u>521.83</u>	<u>11781.85</u>

Surplus **1943.69**

Balances @01/04/2019

Money manager acc	1963.45
HSBC Community acc	1547.71

Current Assets: Bank Accounts

Money manager acc @ 31/03/2020	1967.35
HSBC Community acc @ 31/03/2020	3487.5

Add: surplus for the year	<u>1943.69</u>	
	<u>5454.85</u>	<u>5454.85</u>