



**ISSUES ARISING REPORT FOR
Abergavenny Town Council
Audit for the year ended 31 March 2019**

Introduction

The following matters have been raised to draw items to the attention of Abergavenny Town Council. These matters came to the attention of BDO LLP during the audit of the annual return for the year ended 31 March 2019.

The audit of the annual return may not disclose all shortcomings of the systems as some matters may not have come to the attention of the auditor. For this reason, the matters raised may not be the only ones that exist.

The matters listed below are explained in further detail on the page(s) that follow;

Issues Raised

- Responsible Financial Officer certification after approval by council
- Internal Auditor's recommendations
- Terms of Reference

The following issue(s) have resulted in the annual return being qualified. They indicate a weakness in the body's procedures and require the body to take immediate action.

Responsible Financial Officer certification after approval by council

What is the issue?

The RFO failed to certify the Accounting Statements of the Annual Return ("the accounts") before approval by the Council.

Why has this issue been raised?

This is a breach of regulation 15, paragraph 1 of the Accounts and Audit (Wales) Regulations 2014 which states that the accounts shall be certified by the RFO before the accounts are approved by the council meeting as a whole before the 30 June immediately following the end of a year."

What do we recommend you do?

The RFO must ensure in future years that the accounts are certified, and signed as certified, before the council meeting as a whole approve the accounts before the 30 June immediately following the end of a year.

Further guidance on this matter can be obtained from the following source(s):

Accounts and Audit (Wales) Regulations 2014 - legislation.gov.uk website

The following issue(s) have been raised to assist the body. The body is recommended to take action on the following issue(s) to ensure that the body acts within its statutory and regulatory framework.

Internal Auditor's recommendations

What is the issue?

The internal auditor has noted a number of recommendations in the financial systems of the council.

Why has this issue been raised?

The council is exposed to the risks associated with these recommendations.

What do we recommend you do?

The council must implement the recommendations made by the internal auditor to improve the financial systems of the council as soon as possible or in any event before the end of the current financial year.

If the council addresses all the issues raised by the internal auditor the council should improve internal controls which will help to prevent and detect error and fraud and assist the council to operate in an effective and efficient manner.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability for Local Councils in Wales, A Practitioners' Guide - OVW/SLCC

Terms of Reference

What is the issue?

The council have other committees in place but have not set any terms of reference including any delegation of authority for those committees.

Why has this issue been raised?

The council is at risk of not conducting their business legally, efficiently and effectively.

What do we recommend you do?

The council should setup the terms of reference including any delegation of authority for any other committee as soon as possible or in any event before the end of the current financial year.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability for Local Councils in Wales, A Practitioners' Guide - OVW/SLCC

No other matters came to our attention.

For and on behalf of
BDO LLP

Date: 21 September 2019
