

ANNUAL RETURN

FOR THE YEAR ENDED 31 MARCH 2024

Abergavenny Town Council 2023/2024

SECTION 2 - THE STATEMENT OF ACCOUNTS

In completing the boxes below please explain any significant variances on a separate sheet and send this to the external auditor together with a copy of your bank reconciliation as at 31 March 2024. See page 6 and the Practitioners Guide for guidance

	Last Year £	This Year £	General Notes for Guidance
1 Balances brought forward	362,011	349,494	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of the previous year.
2 (+) Income from local taxation/levy	481,680	537,087	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3 (+) Total other receipts	1,651	9,416	Total income or receipts recorded in the cashbook minus the amounts included in line 2. Includes support, discretionary and revenue grants.
4 (-) Staff costs	58,770	72,857	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 e.g. termination costs.
5 (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6 (-) Total other payments	437,078	449,418	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	349,494	373,722	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8 (+) Debtors	18,970	19,587	Income and expenditure accounts only: Enter the value of debts owed to the body at the year-end.
9 (+) Total cash and investments	377,754	355,928	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	47,230	1,794	Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end.
11 (=) Balances carried forward	349,494	373,722	Total balances should equal line 7 above: Enter the total of (8+9-10).
12 Total fixed assets and long-term assets	119,766	137,033	The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13 Total borrowings	0	0	The outstanding capital balances as at 31 March of all loans from third parties (including PWLB).

I confirm that the statement of accounts contained in this annual return presents fairly the financial position of the council and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March

Signed



Responsible Financial Officer

Date

01/07/2024

I confirm that these accounts were approved by the council and recorded as council minute reference:

EM03/24

Date

05/07/2024

Signed



Date

05/07/2024

Chair of meeting approving council's accounts

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 2024 of **Abergavenny 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

In my opinion, the Accounting Statement does not fairly present the Council's income and expenditure and financial position:

- The Council prepares accounts on the I&E basis, but no list of debtor balances has been provided by the Council. We recommend that full list of debtors at the year end is provided.
- The Council prepares accounts on the I&E basis, but two material payments are not recorded in the correct financial year.

Annual Governance Statement

I am unable to conclude whether or not the Annual Governance Statement is consistent with the Council's internal controls and governance arrangements for the year:

- Non-compliance with relevant laws and regulations - No Annual Governance Statement was provided by the Council.
- The Council did not approve the accounts in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014 as the accounts were approved after the deadline of 30th June 2024 or publish a notice explaining why this did not occur.

- The Council did not advertise the audit and make proper arrangements for the public inspection of accounts as required by the Public Audit (Wales) Act 2004 and the Accounts and audit (Wales) Regulations 2014).
- Non-compliance with relevant laws and regulations. The Council does not attach a record of payments to be approved within their minutes. As such, we are unable to verify whether specific payments tested were approved within the minutes. We recommend that the Council attach a list of their approved payments/receipts to their minutes and any other supporting documentation mentioned within the minutes.
- The accounting statement has not been prepared in accordance with proper practice. There were two material payments for which no invoices were provided for. The Council should ensure it has supporting documentation to all transactions. Total of other payments do not reconcile to the cashbook and no reconciliation was provided. We recommend that the Council checks the arithmetic accuracy of the accounting statement and makes the necessary corrections before the accounts are approved.
- There was inadequate supporting documentation for one income sample tested. The Council should ensure it has supporting documentation to all transactions.

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

In my opinion, the Council does not have proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources:

- The internal auditor has answered 'No' to question 8 on the internal audit report. The Council must ensure changes are made to achieve a 'Yes' answer to this question in the future.

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.

Information required for Audit

Each year we send the Council an audit notice that sets out the information to be submitted and a timetable for submission. It is important that the Council provides all of the required information on a timely basis as failure to do results in additional audit work and therefore higher audit fees.

We recommend that the Council carefully reads the 2025 audit notice to ensure it submits full information for the forthcoming audit.

Fidelity insurance

The Council appears not to have adequate fidelity insurance with its insurance provider. We recommend that the level of cover should be reviewed to ensure that the level of cover is at least the balance carried forward plus one precept instalment.

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: 22/05/2025
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Annual internal audit report to:

Name of body: **Abergavenny Town Council**

The Council'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 2024.

The internal audit has been carried out in accordance with the Council'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.

	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.	✓				Please see the Independent Internal Audit report dated 30 th May 2024.
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	✓				Please see the Independent Internal Audit report dated 30 th May 2024.
3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓				Please see the Independent Internal Audit report dated 30 th May 2024.
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.	✓				Please see the Independent Internal Audit report dated 30 th May 2024.
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	✓				Please see the Independent Internal Audit report dated 30 th May 2024.
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.			✓		Please see the Independent Internal Audit report dated 30 th May 2024.
7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied.	✓				Please see the Independent Internal Audit report dated 30 th May 2024.
8. Asset and investment registers were complete, accurate, and properly maintained.		✓			Please see the Independent Internal Audit report dated 17 th of April 2024.

	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.	✓				Please see the Independent Internal Audit report dated 30 th May 2024.
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.	✓				Please see the Independent Internal Audit report dated 30 th May 2024.
11. Trust funds (including charitable trusts). The Council has met its responsibilities as a trustee.			✓		Please see the Independent Internal Audit report dated 30 th May 2024.

For any risk areas identified by the Council (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.			✓		No additional risks identified
13.			✓		No additional risks identified
14.			✓		No additional risks identified

My detailed findings and recommendations which I draw to the attention of the Council are included in my detailed report to the Council dated the 30th May 2024.

Internal audit confirmation

I confirm that as the Council's internal auditor, I 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 2022-23 and 2023-24. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit: C Lingard for and on behalf of Auditing Solutions Ltd

Signature of person who carried out the internal audit: *Claire V Lingard*

Date: 30th May 2024

