

Community and Town Councils in Wales

Annual Return for the Year Ended 31 March 2023

Accounting statements 2022-23 for:

Name of body: **Llangammarch Community Council**

	Year ending		Notes and guidance for compilers
	31 March 2022 (£)	31 March 2023 (£)	
Statement of income and expenditure/receipts and payments			
1. Balances brought forward	9902	12946	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	10800	11800	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	3169	548	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	3718	4513	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	0	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	7207	6127	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	12946	14654	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).
Statement of balances			
8. (+) Debtors	0	0	Income and expenditure accounts only: Enter the value of debts owed to the body at the year-end.
9. (+) Total cash and investments	12946	14654	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	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	12946	14654	Total balances should equal line 7 above: Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	34468	34468	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	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 2023, 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. 	yes		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.	yes		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.	yes		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.	yes		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.	yes		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.	yes		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.	yes		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.	yes		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
			N/A	

* 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.

Additional disclosure notes*

The following information is provided to assist the reader to understand the accounting statement and/or the Annual Governance Statement

1. Expenditure under S137 Local Government Act 1972 and S2 Local Government Act 2000

Section 137(1) of the 1972 Act permits the Council to spend on activities for which it has no other specific powers if the Council considers that the expenditure is in the interests of, and will bring direct benefit to, the area or any part of it, or all or some of its inhabitants, providing that the benefit is commensurate with the expenditure. Section 137(3) also permits the Council to incur expenditure for certain charitable and other purposes. The maximum expenditure that can be incurred under both section 137(1) and (3) for the financial year 2022-23 was £8.82 per elector.

In 2022-23, the Council made payments totalling £_____0_____ under section 137. These payments are included within 'Other payments' in the Accounting Statement.


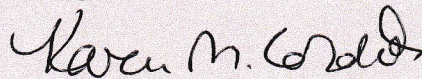
2.

3.

* Include here any additional disclosures the Council considers necessary to aid the reader's understanding of the accounting statement and/or the annual governance statement.

Council/Committee approval and certification

The Council/Committee is responsible for the preparation of the accounting statements and the annual governance statement in accordance with the requirements of the Public Audit (Wales) Act 2004 (the Act) and the Accounts and Audit (Wales) Regulations 2014.

Certification by the RFO	Approval by the Council/Board/Committee
I certify that the accounting statements contained in this Annual Return present fairly the financial position of the Council/Board/Committee, and its income and expenditure, or properly present receipts and payments, as the case may be, for the year ended 31 March 2023.	I confirm that these accounting statements and Annual Governance Statement were approved by the Council/Board/Committee under minute reference:
RFO signature: 	Minute ref: 2970/e
Name: S. E. WILBY	Chair signature: 
Date: 3/5/23	Name: KAREN M COULTER
	Date: 3/5/23

Annual internal audit report to:

Name of body:

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 2023.

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

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

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 2/4.] * 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 2021-22 and 2022-23. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit:

RICHARD MEARS

Signature of person who carried out the internal audit:



Date:

15th April 2023.

COMMUNITY COUNCIL INTERNAL AUDIT TESTING
LLANGAMMARCH COMMUNITY COUNCIL
INTERNAL AUDIT REPORT

INTERNAL AUDITOR: RICHARD MEARS

REVIEWED: 15th April 2023

FINANCIAL YEAR ENDING: 31st MARCH 2023

INTERNAL CONTROL	SUGGESTED TESTING	FINDINGS	RECOMMENDATIONS
PROPER BOOKKEEPING	Are the accounts maintained and up to date?	Yes – the Council use an excel spreadsheet for accounting and reconciliation purposes	
	Are the accounts arithmetically, correct?	The system self-balances.	
	Are the accounts regularly balanced?	The system self-balances. Accounts are reconciled each month, signed by the Clerk and Counter signed by the Chair	
A) STANDING ORDERS AND FINANCIAL REGULATIONS ADOPTED AND APPLIED; AND B) PAYMENTS CONTROLS	Has the council formally adopted standing orders and financial regulations?	Standing Orders and Financial Regulations were reviewed at the 6 th July 2022 meeting	

INTERNAL CONTROL	SUGGESTED TESTING	FINDINGS	RECOMMENDATIONS
	Has a Responsible financial officer been appointed with specific duties?	Sue Lilley is the Clerk and RFO to the Council and she has a contract and a job description outlining her duties	
	Have items or services above the de minimus amount been competitively purchased?	N/A	
	Are payments in the cashbook supported by invoices, authorised and minuted?	Yes – all payments were supported by documentary evidence and approved by the Council before payment.	
	Has VAT on payments been identified, recorded and reclaimed?	Yes – claims were submitted to HMRC during the year.	
	Is s137 expenditure separately recorded and within statutory limits?	None	
RISK MANAGEMENT ARRANGEMENTS	Does a review of the minutes identify any unusual financial activity?	None seen.	

INTERNAL CONTROL	SUGGESTED TESTING	FINDINGS	RECOMMENDATIONS
	Do minutes record the council carrying out an annual risk assessment?	<p>At the Meeting 6th July 2022 it is recorded that Risk assessments checked and agreed. A comprehensive Risk Assessment schedule was presented for the Audit covering Financial, legal Powers, Training, Assets, Staff, H&S, Counsellors etc dated and Adopted 9th May 2019 and confirmed 12th May 2021.</p> <p>Risk Assessment for following were provided for the audit:</p> <ul style="list-style-type: none"> • Toilets at Tan y Deri 2020 and Covid-19 extra measures signed 12th May 2021 • One off gathering 18th April 2022 	
	Is insurance cover appropriate and adequate?	Insurance policy with BHIB Insurance for the year ended 31 st May 2022 through Aviva Insurance Ltd. With Legal expenses at £0.25M, Official Indemnity at £0.5M	
	Are internal financial controls documented and regularly reviewed?	<p>Yes – The Chair countersigns the monthly reconciled accounts.</p> <p>Most payments are made online through the Barclays bank online accounting system. Only three cheques were issued during this financial period.</p>	

INTERNAL CONTROL	SUGGESTED TESTING	FINDINGS	RECOMMENDATIONS
BUDGETARY CONTROLS	Has the council prepared an annual budget in support of its precept?	At its meeting on 2 nd November 2022 the Council agreed a budget for 2022-23 and were signed off in the minutes dated 11 th January 2023	
	Is actual expenditure against the budget regularly reported to the council?	Running budget reports are presented to each meeting of the council.	
	Are there any significant unexplained variances from budget?	No	
INCOME CONTROLS	Is income properly recorded and promptly banked?	Yes	
	Does the precept recorded agree to the Council Tax authority's notification?	Yes - £11,800 was requested and £10,800 received from Powys County Council in three tranches.	
	Are security controls over cash and near-cash adequate and effective?	No cash transactions. Cheque was cashed in a timely manner	
PETTY CASH PROCEDURES	Is all petty cash spent recorded and supported by VAT invoices/receipts?	There is no petty cash.	

INTERNAL CONTROL	SUGGESTED TESTING	FINDINGS	RECOMMENDATIONS
	Is petty cash expenditure reported to each council meeting?	Not applicable.	
	Is petty cash reimbursement carried out regularly?	Not applicable.	
PAYROLL CONTROLS	Do all employees have contracts of employment with clear terms and conditions?	Sue Lilley's contract was presented for the previous Audit	
	Do salaries paid agree with those approved by the council?	Yes	
	Are other payments to employees reasonable and approved by the council?	Only other payments seen are for expenses which are supported by claims and receipts.	
	Have PAYE/NIC been properly operated by the council as an employer?	Yes – Confirmation seen on monthly payslips of salary and PAYE which is then paid by Online transfer.	
ASSET CONTROLS	Does the council maintain a register of all material assets owned or in its care?	Yes. Asset register presented for the Audit and reviewed at 12 th May 2022 – clarification of ownership of the Riverside Gardens is documented in email trails and appears not to have been transferred by Powys CC.	

INTERNAL CONTROL	SUGGESTED TESTING	FINDINGS	RECOMMENDATIONS
	Are the assets and Investments registers up to date?	<p>Yes – new benches added this year. Current estimates are:</p> <ul style="list-style-type: none"> • Riverside Gardens & patio area • Benches • Noticeboards • Playground & equipment <p>To the value of £34,468</p>	
	Do asset insurance valuations agree with those in the asset register?	Yes	
BANK RECONCILIATION	Is there a bank reconciliation for each account?	Yes	
	Is a bank reconciliation carried out regularly and in a timely fashion?	Yes – Signed by the Clerk monthly and Counter signed by the Chair. Presented to the Councillors at their meetings	
	Are there any unexplained balancing entries in any reconciliation?	No.	
	Is the value of investments held summarised on the reconciliation?	No cash holdings or investments other than the current account	
YEAR-END PROCEDURES	Are year end accounts prepared on the correct accounting basis (Receipts and Payments or Income and Expenditure)?	Receipts and Payments basis used.	

INTERNAL CONTROL	SUGGESTED TESTING	FINDINGS	RECOMMENDATIONS
	Do accounts agree with the Bank Statements?	Yes	
	Is there an audit trail from underlying financial records to the accounts?	Yes – appropriate trail in place.	
	Where appropriate, have debtors and creditors been properly recorded?	Not applicable.	
OTHER ISSUES	Is the Council registered with the Information Commissioner?	Yes – registration number ZA324719 expiring 6 th March 2024	
	What arrangements does the Council have for the back up of computer files?	Files are backed up onto an encrypted external hard drive	
	Does the Council have responsibility for any Trust Funds? If so, are they independently examined?	N/A	



Signed

Date: 15th April 2023

MG 027748 F1VI532A 709F306ED00130 34800 C 89360

 Sort Code 20-61-08
Account No 30580538

SWIFTBIC BUKBGB22

IBAN GB79 BUKB 2061 0830 5805 38

Issued on 05 April 2023

 THE OFFICIALS
LLANGAMMARCH WELLS COMMUNITY
COUNCIL
LLANDEWI
CEFN GORWYDD
LLANGAMMARCH WELLS
LD4 4DN


Your Community Account

At a glance

04 Mar - 04 Apr 2023

Date	Description	Money out £	Money in £	Balance £
4 Mar	Start Balance			15,185.25
6 Mar	Direct Debit to Ico Ref: ZA324719	35.00		15,150.25
15 Mar	On-Line Banking Bill Payment to One Voice Wales Ref: Councillor Course	17.50		15,132.75
	On-Line Banking Bill Payment to H W Jones Building Ref: Llangammarch CC	132.00		15,000.75
23 Mar	On-Line Banking Bill Payment to Lilly Ref: Clerk Salary	347.20		14,653.55
4 Apr	Balance carried forward			14,653.55
	Total Payments/Receipts	531.70	0.00	

Start balance	£15,185.25
Money out	£531.70
▶ Commission charges	£0.00
Money in	£0.00
▶ Gross interest earned	£0.00
End balance	£14,653.55

Your deposit is eligible for protection by the Financial Services Compensation Scheme.

Anything wrong? If you notice any incorrect or unusual transactions, see the next page for how to get in touch with us.



Llangammarch Community Council

Bank reconciliation year ended 31st March 2023

A	Balance on the bank statement at 31 st March 2023 (taken from bank statement)	14653.55
B	Outstanding items: Less unpresented cheques	None
C	Uncleared payments into bank	
D	Petty cash 31/3/2023	None
E	Balance in the cash book at 31 st March 2023 (to agree with box 9 in the AGAR)	14653.55



Llangammarch Community Council

Identification of significant variances

Line.....	2022	2023	Variance	Variance from 2022 as %	Explanation needed? Over 15%
Line 3 (total Receipts	3169	548	2621	-83%	Yes
Line 4 Staff Costs	3718	4513	795	+20%	Yes
Line 6 Total other payments	7207	6127	1080	+15%	No
Line 9 Total cash and investments	12946	14654	1708	13%	No
Line 12 Total fixed assets	34468	34468	Nil	Nil	No



Llangammarch Community Council

Explanation of variance

Line.....4....	£
Figure in 2022 Column	3718
Figure in 2023 Column	4513
Variance	+20%

	Reasons	Amount £
1	Clerk pay rise with 8 months backdated	795
2		
3		
4		
	Unexplained	
		795



Llangammarch Community Council

Explanation of variance

Line.....3....	£
Figure in 2022 Column	3169
Figure in 2023 Column	548
Variance	-83%

	Reasons	Amount £
1	No grants, no large donation	
2		
3		
4		
	Unexplained	
	Explained	No grants, no donations