

Accounting statements 2016-17 for:

Name of body: Insert name of body **HAYES TOWNS COUNCIL**

	Year ending		Notes and guidance for compilers
	31 March 2016 (£)	31 March 2017 (£)	

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	105910	111609	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	288435	295500	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	16843	15497	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	348860 39860	35281	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 eg termination costs.
5. (-) Loan interest/capital repayments	NIL	NIL	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	259799	248457	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	111609	138868	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).

Statement of balances

8. (+) Debtors and stock balances	103504	131851	Income and expenditure accounts only: Enter the value of debts owed to the body and stock balances held at the year-end.
9. (+) Total cash and investments	8105	9017	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	2000	2000	Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	111609	138868	Total balances should equal line 7 above: Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	1700684	1700684	The original asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing	NIL	NIL	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

14. Trust funds disclosure note	Yes	No	N/A	Yes	No	N/A	The body acts as sole trustee for and is responsible for managing (a) trust fund(s)/assets (readers should note that the figures above do not include any trust transactions).
		✓			✓		

Annual Governance Statement (Part 1)

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 2017, 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. 	✓			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.	✓			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.	✓			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.	✓			Has given all persons interested the opportunity to inspect and to ask questions about the body's accounts.	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.	✓			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.	✓			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.	✓			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.	✓			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 – in our capacity as trustee, we have: <ul style="list-style-type: none"> discharged our responsibility in relation to the accountability for the fund(s) including financial reporting and, if required, independent examination or audit. 			N/A	Has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.	3, 6

* 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:	PG Ref
	Yes	No		
1. We have registered as an employer with HM Revenue and Customs and properly operate Pay As You Earn as part of our payroll arrangements; or We do not need to register for PAYE because none of our employees are paid £112 or more a week, get expenses and benefits, have another job or get a pension.	✓		Has registered as an employer and properly operates PAYE unless all of the exemption criteria are met.	13
2. We have maintained proper payroll records for each of our employees including deductions of tax and national insurance.	✓		Has kept records of payments made to employees including taxable expenses or benefits and of payments made to HMRC.	13
3. We have adopted a Code of Conduct setting out proper standards of behaviour expected of councillors and individually, have agreed to abide by the code.	✓		The body and its members have adopted and agreed to abide by a Code of Conduct as required by law.	8

* 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	Approval by the Council/Board/Committee
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 2017.	I confirm that these accounting statements and Annual Governance Statement were approved by the Council/Board/Committee under minute reference:
RFO signature: <i>signature required</i> 	Insert minute reference and date of meeting Minute 442
Name: <i>name required</i> MARGARET BUCKLEY	Chair signature: 
Date: <i>dd/mm/yyyy</i> 02/05/2017	Name: <i>name required</i> JEDDIER TERRY
	Date: <i>dd/mm/yyyy</i> 02/05/2017

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

Certification by the RFO	Approval by the Council/Board/Committee
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 2017.	I confirm that these accounting statements and Annual Governance Statement were approved by the Council/Board/Committee under minute reference:
RFO signature: <i>signature required</i>	Insert minute reference and date of meeting
Name: <i>name required</i>	Chair signature: <i>signature required</i>
Date: <i>dd/mm/yyyy</i>	Name: <i>name required</i>
	Date: <i>dd/mm/yyyy</i>

Auditor General for Wales' Audit Certificate and report

I report in respect of my audit of the accounts under section 13 of the Act, whether any matters that come to my attention give cause for concern that relevant legislation and regulatory requirements have not been met. My audit has been conducted in accordance with guidance issued by the Auditor General for Wales.

I certify that I have completed the audit of the Annual Return for the year ended 31 March 2017 of:

Maesteg Town Council

Auditor General's report

Audit opinion - Qualified

Except for the matters reported in my Basis for Qualification below, on the basis of my review, in my opinion no matters have come to my attention giving 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 legislation and regulatory requirements have not been met;
- is not consistent with the Council's/Committee's governance arrangements; and
- that the Council/Committee 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 presents the Council's income and expenditure and financial position for both the 2016-17 and 2015-16 financial years.

- Significant inadequacies in the Council's financial records have placed a significant limitation in the scope of my audit.
- As set out in my report in the public interest entitled Failure in Financial Management and Fraud, issued in August 2022, the Council's accounts for 2016-17 include £72,967 (2015-16 - £51,454) of unlawful expenditure due to fraud by the former Clerk.

Annual Governance Statement

The Council's Annual Governance Statement does not accurately reflect the Council's governance arrangements for 2016-17:

- My audit identified significant inadequacies in accounting records and serious failures in internal controls
- Significant failures in internal controls were identified during the course of my audit. These failures are set out in my report in the public interest entitled Failure in Financial Management and Fraud, issued in August 2022
- The Council did not ensure it had an adequate and effective system of internal audit during the year
- The Council did not make proper arrangements for the approval and publication of accounts as required by the Accounts and Audit (Wales) Regulations 2014.

Arrangements to secure value for money

As a consequence of the failures in financial management and governance identified in my report in the public interest, in my opinion the Council did not have in place proper arrangements to secure value for money in 2016-17.

Other matters arising and recommendations

My report in the public interest can be accessed at <https://audit.wales/publication/failure-financial-management-and-fraud-maesteg-town-council>

We will continue to monitor the Council's progress in implementing the recommendations made in this report from the 2022-23 audit onwards.

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

Ann-Marie Harkin

Ann-Marie Harkin, Executive Director, Audit Wales
For and on behalf of the Auditor General for Wales

Date: 11/10/2022

Annual internal audit report to:

Name of body:

Walsley Community Centre

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 2017.

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 this financial year and whether it is detailed in the internal audit report presented to the Board
	Yes	No	Not	Not	
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. (If not required, it should be stated that 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.			✓		

Are any other areas identified by the Council/Board/Committee/other risk areas below, or significant risks identified as a result of this audit?

	Agreed?				Outline of work undertaken as part of the internal audit. (If not required, it should be stated that 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 28th Nov 2017 * Delete if no report prepared.

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 or as a member of the body during the financial years 2015-16 and 2016-17. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit:	P JAMES
Signature of person who carried out the internal audit:	P James
Date:	

MAESTEG TOWN COUNCIL

INTERNAL AUDIT REPORT - FOR PERIOD 2016/2017

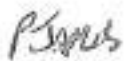
MAJOR AREAS COVERED AT AUDIT	SATISFACTORY	UNSATISFACTORY
<u>Advertisement of the Audit</u>	✓	
<u>Budgetary Process</u>	✓	
<u>Statement of Accounts</u>	✓	
<u>Balances</u>	✓	
<u>Banking Arrangements</u>	✓	
<u>Receipts (Income)</u>	✓	
<u>Debtors</u>	✓	
<u>Payments (Expenditure)</u>	✓	
<u>Creditors</u>	✓	
<u>Salaries/Tax/Ni/Pension</u>	✓	
<u>VAT</u>	✓	
<u>Insurance Cover</u>	✓	
<u>Assets</u>	✓	
<u>Loans</u>	✓	

Y.A.

Having undertaken the Internal Audit on behalf of Maesteg Town Council, I find all areas are satisfactory and good practice is evident. The Clerk undertakes the management of the Accounting procedures and documentations satisfactory and follows the requirements of the Accounts and Audit (Wales) Regulations 2014 and proper practices. The Clerk adheres to the Risk Assessment Policy document and Financial Regulations Policy of the Council, which are reviewed annually. The Finance Committee undertake quarterly risk assessments, annual risk assessments and verifies that accounting procedures and practices are satisfactory, with all appropriate controls in place and adhered to. Recommendations are reported to full

Continuation 2 of Internal Audit Report/Maesteg Town Council

Council for confirmation and approval. Full Council verifies and agrees payments of accounts monthly. Budgetary controls are in place. During the year there were no areas of risk identified by the Council and control objectives had been achieved throughout the financial year to a standard adequate to meet the needs of the Council. The Council's Policy Documents are to be reviewed again in January 2017 to ensure accounting procedures and practices meet the requirements of the Accounts and Audit (Wales) Regulations 2014 and proper practices.



P James

26th April 2017