

Presteigne & Norton Town Council - Auditor General for Wales' Audit Certificate and report

The Auditor General for Wales issued Presteigne & Norton Town Council a qualified audit report. Details of the matters which have led to the qualification are detailed below.

Notice of Appointment of Date for the Exercise of Electors' Rights

Regulations 16, 17 and 22 of the Accounts and Audit (Wales) Regulations 2014 set out the procedures to be followed for the exercise of electors' rights under the Public Audit (Wales) Act 2004.

We note that the Notice of Appointment of Date for the Exercise of Electors' Rights commenced on the 20 April 2018, this is before the Council approved the Accounting statements and Annual Governance statement on 16 May 2018. Regulation stipulates that any rights of objection, inspection and questioning of the external auditor may only be exercised within a single period of 20 working days. However, due to the approval by Council occurring after the commencement date, the Council has not met the requirements of Accounts and Audit (Wales) Regulations 2014. Therefore, the correct response to Assertion 4 should be 'No' per the Annual Governance Statement on the Annual Return.

We also note that the Notice of Appointment of Date for the Exercise of Electors' Rights was only advertised for 11 days before the start of the inspection period. The Accounts and Audit (Wales) Regulations 2014 require that the notice is displayed for **14 consecutive days** before the start of the inspection period.

In future years, the Council must ensure that the inspection period is properly advertised and the Annual Return is approved by the Council before the Notice of Appointment of Date for the Exercise of Electors' Rights period commences in order to comply with the Accounts and Audit (Wales) Regulations 2014.

Additionally, during our review we identified some other matters that we wish to draw to the Council's attention which do not affect our audit opinion but should be addressed by the Council.

Accounting Statements – Precept amount

The figure entered in Box 2 on the Accounting Statements, income from local taxation/levy is understated by £2,394 for 2018. The correct figure should be £65,961. The Council has offset the Powys election fees against income rather than recording the precept gross and recording the fees as an item of expenditure.

As such, the figure entered in Box 6 on the Accounting Statements, total other payments is also understated by £2,394 for 2018. The correct figure should be £101,664.

The Council should restate the 2018 figures on next year's Annual Return and write "restated" beneath the £ sign on the 2018 column.

High level of reserves

We note that the Council holds a high level of general reserves, approximately 1.45 times the annual precept for 2017/18.

The Council should consider the level of general reserves required and consider taking steps to reduce the level of reserves in future years if necessary.

Yours sincerely,



For and on behalf of the Auditor General for Wales

Date: 22 August 2018

Reference: WAL299