

Community and Town Councils in Wales Annual Return for the Year Ended 31 March 2024

Accounting statements 2023-24 for:

Name of body: **PRESTEIGNE AND NORTON TOWN COUNCIL**

	Year ending		Notes and guidance
	31 March 2023 (£)	31 March 2024 (£)	
Statement of income and expenditure/receipts and payments			
1. Balances brought forward	133,631	101,288	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	70,647	72,938	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	200,739	71,767	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	26,750	28,345	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	276,979	97,009	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	101,288	120,639	Total balances and reserves at the end of the year. Must equal $(1+2+3) - (4+5+6)$.
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	101,288	120,639	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	101,288	120,639	Total balances should equal line 7 above: Enter the total of $(8+9-10)$.
12. Total fixed assets and long-term assets	426,704	434,724	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, 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 2024, that:

	Agreed?		'YES' means that the Council:	PG Ref	
	Yes	No*			
1. We have put in place arrangements for: <ul style="list-style-type: none"> o effective financial management during the year; and o 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 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 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 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 Council 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	Has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.	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 2023-24 was £9.93 per elector.

In 2023-24, the Council made payments totalling £9310.00.00 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 approval and certification

The Council 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.

<p>Certification by the RFO I certify that the accounting statements contained in this Annual Return present fairly the financial position of the Council, and its income and expenditure, or properly present receipts and payments, as the case may be, for the year ended 31 March 2024.</p>	<p>Approval by the Council I confirm that these accounting statements and Annual Governance Statement were approved by the Council under minute reference:</p>
<p>RFO signature:</p>	<p>Minute ref:</p>
<p>Name: Tracey Price</p>	<p>Chair signature:</p>
<p>Date:</p>	<p>Name:</p>
	<p>Date:</p>

Annual internal audit report to:

Name of body: **PRESTEIGNE AND NORTON 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.	✓				
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 has met its responsibilities as a trustee.			✓		

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.					
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 are included in my detailed report to the Council dated 15/04/2024.] * 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 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: [Redacted] L. STEPHENS
 Signature of person who carried out the internal audit: [Redacted]
 Date: 11/4/24

LRS Auditing

15 April 2024

Mrs T.Price
Presteigne Council Clerk,

Dear Mrs Price,

This is to verify the findings of the Internal Audit of Presteigne Town Council for the year April 2023 to April 2024.

Mrs Price has maintained appropriate accounts in an organised manner with a clear and thorough audit trail. Payments were verified through bank statements, the cheque books and invoices.

Salaries have been paid in accordance with Financial Regulations.

VAT has been claimed for appropriately.

The Council budget has been appropriately monitored and maintained throughout the year. The annual precept has been planned for and any significant variances have been noted.

Please note that Mrs Price has provided very organised accounts and additional information to support the internal audit.

I have enclosed the invoice for my work completed. If you have any questions regarding my audit, please don't hesitate to contact me.

Yours sincerely,

Lee Stephens

Internal Auditor

LRS Auditing

9 Glandwr, Newtown, Powys SY16 1RE

07528 163275

Lee.stephens83@gmail.com

Council Audit Plan 2023/24
Presteigne and Norton Town Council

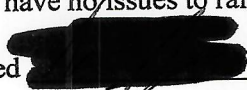
1. Check the books of account have been properly kept throughout the year
2. Check payments to ensure that the Council's financial regulations have been met, payments are supported by invoices, expenditure is approved and VAT is correctly accounted for.
3. Review the Council's risk management assessment ensuring adequate arrangements are in place to manage all identified risks
4. Verify that the annual precept request is the result of a proper budgetary process, that budget process has been regularly monitored and that the Council's reserves are appropriate.
5. Check income records ensuring that the correct price has been charged, income has been received, recorded & promptly banked, & VAT is correctly accounted for
6. Review petty cash records to ensure that payments are supported by receipts, expenditure is approved & VAT is correctly accounted for
7. Check salaries to employees have been paid in accordance with Council approvals and that PAYE requirements have been applied
8. Check accuracy of asset and investment registers
9. Test accuracy and timeliness of periodic and year end bank account reconciliation
10. Test accuracy and completeness of year end financial statements.
11. Review and assess the Councils internet banking payment arrangements.
12. Any other appropriate additional relevant testing to support the validity and integrity of the above.

Internal Audit - Question/action list – 2023/24 accounting year PRESTEIGNE AND NORTON TOWN COUNCIL			
1		Appropriate books of account properly kept throughout the year?	✓
2	a	Appointed responsible financial officer with duties listed in Financial Regs or elsewhere?	✓
	b	Fin Regs. in place & regularly reviewed?	✓
	c	Standing Orders in place & regularly reviewed?	✓
	d	Delegated Powers on expenditure in place & adhered to?	✓
	e	Payments supported by invoices?	✓
	f	Expenditure properly approved?	✓
	g	VAT shown separately? Is there any thing unusual in the reconciliation? Has a VAT refund been requested recently, if not is the VAT paid since the last refund at a level that is sensible to request a refund?	✓
3	a	Have the risks been listed and a start been made on assessment and minimisation of risk?	✓
	b	Is there sufficient management of risk?	✓
	c	Insurance in order and the correct things covered?	✓
	d	Members check the accounts OR internal audit at least twice a year	✓

		and report back to council?.	
	e	Are balances invested in the best safe account?	✓
	f	Initialled cheque stubs?	N/A
	g	Regular internal audit?	✓
	h	Minute showing appointment of internal auditor?	✓
4	a	Council budgeted in a clear and adequate way?	✓
	b	Checks in place to ensure correct precept has been received?	✓
	c	Clerk or RFO report to council regularly to give progress reports on expenditure verses budget?	✓
	d	Reserves/balances appropriate? Is/are there specific project(s) for balances in excess of the annual precept?	✓
5	a	Was income received/expected? Did income equal expected income? If not why not?	✓
	b	System of receipt of income ensures that it is properly recorded and promptly banked?	✓
	c	VAT on income properly accounted for?	✓
6	a	Adequate check on petty cash?	N/A
	b	Payments properly supported by receipts/invoices?	N/A
	c	Expenditure approved?	N/A
	d	VAT properly accounted for? Reclaimed on petty cash?	N/A
7	a	Clear minute and contract which details the employees' pay and conditions	✓
	b	Employee(s) paid by/to those decisions?	✓
	c	PAYE and NI payments been made (if required) or written contact been made with the Inland Revenue giving details of taxable income?	✓
	d	Staff pension/gratuity? Minuted? Held in reserves? HMRC approval for service to 5 April 2006?	✓
8	a	Asset & investment registers?	✓
	b	Complete?	✓
	c	Accurate?	✓
	d	Maintained?	✓
	e	Checked/modified at least yearly eg. at annual council meeting?	✓
9	a	Cash book up to date, correctly sub-totalled and accounts reconciled at least once per quarter?	✓
	b	Clear record of the end of year statement?	✓
10	a	Accounts prepared on correct basis?	✓
	b	Agree with the cash book?	✓
	c	Supported by an adequate audit trail	✓
	d	A record of debtors and creditors?	✓
	e	Clear separate list of S137 payments	✓
	f	Year end accounts clear and accurate?	✓
	g	All account balances shown?	✓
	h	Correct supporting statements?	✓
11	a	Other risks been covered adequately?	✓
	b	Data Protection Registration held if needed & current/appropriate?	✓
	c	Electronic data backup arrangements adequate?	✓
12	a	Review Internet Banking payment arrangements	✓

I confirm that I have carried out the internal audit for Presteigne and Norton Town Council and I have no issues to raise/have issues to raise as attached (delete as appropriate).

Signed



L. Stephens, Internal Auditor

Date 11/4/24