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## **The Havens Community Council - Auditor General for Wales' Audit Certificate and report**

The Auditor General for Wales issued The Havens Community Council a qualified audit report. Details of the matter which has led to the qualification are given below:

### **Incomplete Records**

Regulation 6 of the Accounts and Audit (Wales) Regulations 2014 requires local government bodies to maintain proper accounting records to show and explain transactions and to enable the preparation of accounting statements.

Our audit identified the Council did not have a complete set of records to satisfy all the audit requirements, such as the variance explanation. We note however that this was due to an unforeseen circumstance.

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 Statement - 2020**

Box 7 on the Annual Return, balance carried forward is incorrectly stated as £28,865. The correct figure should read "**£28,768**".

Box 10 on the Annual Return, Creditors is incorrectly stated as £1,903. The correct figure should read "**£0**".

Therefore, Box 11 on the Annual Return, balance carried forward is incorrectly stated as £28,865. The correct figure should read "**£28,768**".

The Council should restate the 2020 figures on next year's Annual Return and write "restated" beneath the £ sign on the 2020 column.

### **Accounting Statement, Box 14 – Trust fund disclosure note**

Box 14 on the Accounting Statement, trust funds disclosure note, was left unanswered for 2018/19 on the Annual Return. The Council has confirmed that it does not act as a sole trustee nor is it responsible for managing trust funds or assets and so this box should read "N/A".

In future the Council should ensure the Annual Return is completed in full prior to the submission to External Auditors.

### **Fixed Asset Register**

The Community Council does not maintain a register of all its assets. A formal schedule of assets should be maintained and regularly updated. The value should then be reflected in Box 12, total fixed assets and long-term assets on the Annual Return.

Additionally, the Internal Auditor has answered 'N/A' to objective 8 but since the Council does not maintain a register of its fixed assets, the appropriate answer for to the Internal Audit Report, Box 8 is 'No'.

Guidance on accounting for fixed assets is available in the One Voice Wales / SLCC publication "Governance and Accountability for Local Councils in Wales – A Practitioners Guide" chapter 17.

Yours sincerely,

*Grant Thornton UK LLP*

For and on behalf of the Auditor General for Wales

Date: 11 December 2020

Ref: WAL197