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Ystrad Fflur Community Council - Auditor General for Wales' Audit Certificate and report

The Auditor General for Wales issued Ystrad Fflur Community Council a qualified audit report. Details of the matter which led to the qualification is detailed below:

Certification by the RFO after the Annual governance statement and Accounting statements have been signed and approved

Regulation 15(1) of the Accounts and Audit Regulations (Wales) 2014 stipulates that the Responsible Financial Officer must sign and date the Accounting statements to certify that it presents fairly the financial position of the authority and its income and expenditure, or properly presents receipts and payments as the case may be. Regulation (2) stipulates that when the Responsible Financial Officer has complied with paragraph (1) the authority must, in the following order:

- (a) consider the statement of accounts by the members meeting as a whole;
- (b) approve the statement of accounts by resolution; and
- (c) ensure the statement of accounts is signed and dated by the person presiding at the meeting at which that approval is given.

The Responsible Financial Officer must, therefore, certify the Accounting statements before the authority considers, approves, and signs them.

The Responsible Financial Officer for the Council has certified the Accounting statements on 19 June 2020, after the Council approved them on 18 June 2020. In future, the Council should ensure that the Responsible Financial Officer certifies the Accounting statements **before** the authority considers, approves, and signs them in accordance with Regulation 15. The correct answer to the Annual Governance Statement, Assertion 1 is 'No'.

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.

Internal Auditor's Report

The Internal Auditor's report sent to the External Auditors was not factually correct. The Internal Auditor answered 'No' to test 6. The correct response is 'N/A', as the Council do not operate with petty cash.

The Council should ensure that the Internal Auditor's report is reviewed before sending the document to the External Auditors. The Council should minute this process. If there are any errors in the report it should either be amended, or the Council should provide an explanation for the error.

Internal Auditor Engagement Letter

We note that the Council has received an engagement letter from the Internal Auditor. However, the engagement letter is dated after the completion of the Internal Audit. In future years, we recommend the Council receive an engagement letter which states the responsibilities of the Internal Auditor and is dated before the Internal Audit takes place.

Unpresented cheques

We note that an unpresented cheque of £10 from 2018/19 was written off this year and added to Box 1, Balance brought forward. This is incorrect. The unpresented cheque should be deducted from Box 6. The Council should amend the figures as follows:

2018/19

Box 11, Balance carried forward: **£888**

2019/20

Box 1, Balance brought forward: **£888**

Box 6, Total other payments: **£3,603**

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

Yours sincerely

Grant Thornton UK LLP

For and on behalf of the Auditor General for Wales

Date: 20 November 2020

Ref: WAL123