

Section 3 – Certification and approval

Council approval and certification following the audit

The Council is responsible for the preparation of the accounting statements in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2005 (as amended) and for the preparation of an Annual Return which:

- summarises the Council's accounting records for the year ended 31 March 2014; and
- confirms and provides assurance on those matters that are important to the external auditor's responsibilities.

<p>Certification by the RFO</p> <p>Certificate under Regulation 3 Accounts and Audit (Wales) Regulations 2005 (Regulation 8B (1), 8B (2) and 8B(3))</p> <p>I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Council, and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2014.</p> <p>RFO signature: <u>Carli Evans-Thorn</u></p> <p>Name: <u>CARLI EVANS-THORN</u></p> <p>Date: <u>17/07/2014</u></p>	<p>Approval by the Council</p> <p>Approval of accounting statements under Regulation 3 (3) Accounts and Audit (Wales) Regulations 2005 (as amended) and the Annual Governance Statement</p> <p>I confirm that these accounting statements and Annual Governance Statement were approved by the Council under council minute reference</p> <p><u>5.3 17/7/14</u></p> <p>Chair signature: <u>D Owen</u></p> <p>Name: <u>DEREN OWEN</u></p> <p>Date: <u>17/07/2014</u></p>
--	--

External Audit Certificate

The external auditor conducts the audit in accordance with guidance issued by the Auditor General for Wales. On the basis of their review of the Annual Return and supporting information, they report whether any matters that come to their attention give cause for concern that relevant legislation and regulatory requirements have not been met. We certify that we have completed the audit of the Annual Return for the year ended 31 March 2014 of:

LLANEIRIG COMMUNITY Council

External auditor's report

[(Except for the matters reported below)] On the basis of our review, in our opinion, the information contained in the Annual Return is in accordance with proper practices and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

THE COUNCIL DID NOT HAVE FINANCIAL REGULATIONS IN PLACE DURING THE YEAR.

THE COUNCIL DID NOT HAVE A RISK ASSESSMENT POLICY APPROVED DURING THE YEAR.

THE COUNCIL DID NOT APPROVE A BUDGET.

[(These matters along with] Other matters not affecting our opinion which we draw to the attention of the Council (where) are included in our report to the Council dated 14/7/14]

(* Delete as appropriate)

External auditor's signature: Wyn Harker Yoy

External auditor's name: WYN HARKER YOY Date: 20/8/14

Section 4 – Annual internal audit report to: **RODRI LLANWEDDIG**

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 2014.

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?			
	Yes	No*	N/A	Not covered**
1. Appropriate books of account have been properly kept throughout the year.				
2. The Council's financial regulations have been read, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.				
3. The Council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.				
4. The annual precept 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 council agreements, and PAYE and NI requirements were properly applied.				
8. Asset and investment registers were complete and accurate, and properly maintained.				
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.				

SEE WRITTEN REPORT

For any risk areas identified by the Council (set any other risk areas below or on separate sheets if needed) adequate controls existed:	Agreed?			
	Yes	No*	N/A	Not covered**
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.

Name of person who carried out the internal audit: **DAVID D. ROBERTS**
 Signature of person who carried out the internal audit: *[Signature]*
 Date: **18.5.14**

Section 5 – Guidance notes on completing the 2014 Annual Return

- For guidance please read the Practitioners' Guide (Governance and accountability for local councils: A Practitioners' Guide 2011 (Wales)) – available from One Voice Wales and SLCC. It contains everything you need for the financial year-end and the statutory audit.
- The Wales Audit Office Good Practice Exchange (www.wao.gov.uk/2594.asp) provides further information on the accounts and audit process along with guidance on governance matters.
- Please make sure that Sections 1, 2 and 4 are completed (ie. no empty pink boxes) by the appropriate person and the certificates on page 3 are properly signed and dated. Avoid making any amendments to the completed return. If this is unavoidable, cross out the incorrect entries, make sure the amendments are properly initialed and an explanation for them is provided to the auditor. **Please do not use correction fluid.** Annual returns that are incomplete or contain unapproved and/or unexplained amendments or correction fluid will be returned unaudited.
- Use the checklist provided below. Use a second pair of eyes, perhaps your internal auditor or the Chair, to review your Annual Return for completeness before sending a copy to the auditor.
- Make sure that the copy of the bank reconciliation you send to your auditor with the copy Annual Return covers all your bank accounts and cash balances. If there are no reconciling items, please state this and provide evidence of the bank balances. If your council holds any investments, please note their value on the bank reconciliation. The auditor should also be able to agree your bank reconciliation to Line 9 in Section 1. More help on bank reconciliation is available in the Practitioners' Guide.
- Please explain fully any significant variances in the accounting statements. The auditor wants to know that you understand the reasons for the change. Please include a relevant and quantified analysis as shown in the Practitioners' Guide examples and not just a copy of your detailed accounts.
- Please do not send the auditor any information that you are not specifically asked for. Doing so is not helpful. Please ensure that you enclose all the information that the auditor has asked for. If the auditor has to review unrequested information, repeat a request for information, receives an incomplete bank reconciliation or explanation of variances this may incur additional costs for which the auditor is entitled to charge additional fees.
- Please make sure that Section 1 adds up! Also please ensure that the balance carried forward from the previous year (Line 7 of 2013) equals the balance brought forward in the current year (Line 1 of 2014).
- Do not complete the External Audit Certificate in Section 3. The external auditor completes this after the Council approves the Annual Return following receipt of the external auditor's matters arising report.
- Please deal with all correspondence with the external auditor promptly. This will help you to meet your statutory obligations and will minimise the cost of the audit to the Council.

Completion checklist – 'No' answers mean that you may not have met requirements		Done?	
Initial submission to the external auditor		Yes	No
Accounts	Has the RFO certified the front page (Regulation 86 (1) and 86 (2)(a)) no later than 30 June 2014?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Do the papers to be sent to the external auditor include an explanation of significant variances from last year to this year?	<input type="checkbox"/>	<input type="checkbox"/>
	Does the bank reconciliation as at 31 March 2014 agree to Line 9?	<input type="checkbox"/>	<input type="checkbox"/>
	Have all pink boxes in Sections 1 and 2 been completed and explanations provided where needed?	<input type="checkbox"/>	<input type="checkbox"/>
All sections	Have all pink boxes in Sections 1 and 2 been completed and explanations provided where needed?	<input type="checkbox"/>	<input type="checkbox"/>
	Has all the information requested by the external auditor been sent with the Annual Return? Please refer to your notice of audit and any additional schedules provided by your external auditor.	<input type="checkbox"/>	<input type="checkbox"/>
Final submission to the external auditor after receipt of external auditor's report on matters arising		Yes	No
Accounts	Has the RFO certified Section 3 (Regulation 86 (2)(b)) before the Council approves the Annual Return?	<input type="checkbox"/>	<input type="checkbox"/>
Audit report	Has the Council received and considered the external audit report before approving the Annual Return?	<input type="checkbox"/>	<input type="checkbox"/>
Approval	Has the Chair signed and dated Section 3 in time to allow the auditor to certify Section 3 and return to the Council no later than 30 September 2014?	<input type="checkbox"/>	<input type="checkbox"/>