

24 Cathedral Road / 24 Heol y Gadeirlan  
Cardiff / Caerdydd  
CF11 9LJ  
Tel / Ffôn: 029 2032 0500  
Fax / Ffacs: 029 2032 0600  
Textphone / Ffôn testun: 029 2032 0660  
[info@audit.wales](mailto:info@audit.wales) / [post@archwilio.cymru](mailto:post@archwilio.cymru)  
[www.audit.wales](http://www.audit.wales) / [www.archwilio.cymru](http://www.archwilio.cymru)

## **Builth Wells Town Council - Auditor General for Wales' Audit Certificate and report**

The Auditor General for Wales issued Builth Wells Town Council a qualified audit report. Details of the matter which has led to the qualification are detailed below:

### **Certification by the RFO after the Annual governance statement and Accounting statements have been 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 29 May 2020, after the Council approved them on 27 May 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.

### **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.

### **Accounting Statement**

Box 11, balance carried forward on the Accounting Statement on the Annual Return for 2019 is incorrectly stated as £0. The correct figure should read “**£88,023**”.

Box 11, balance carried forward on the Accounting Statement on the Annual Return for 2020 is incorrectly stated as £0. The correct figure should read “**£129,014**”.

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

### **High level of reserves**

We note that the Council holds a high level of general reserves, approximately 140% of the annual precept for 2019/20.

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,

*Grant Thornton UK LLP*

For and on behalf of the Auditor General for Wales

Date: 26 November 2020

Ref: WAL214