

Community and Town Councils in Wales Annual Return for the Year Ended 31 March 2020

LANGUAGE PREFERENCE

Please indicate how you would like us to communicate with you during the audit. Note that audit notices will be issued bilingually.

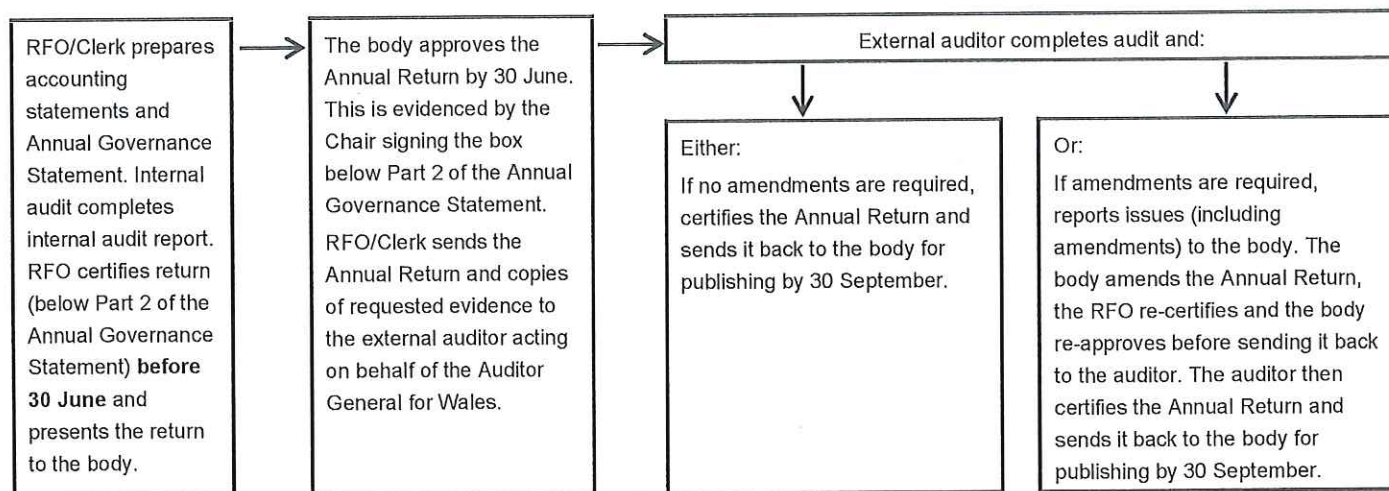
| | Yes | No | | Yes | No | | Yes | No |
|---------|----------------------------------|-----------------------|-------|-----------------------|-----------------------|-------------|-----------------------|-----------------------|
| ENGLISH | <input checked="" type="radio"/> | <input type="radio"/> | WELSH | <input type="radio"/> | <input type="radio"/> | BILINGUALLY | <input type="radio"/> | <input type="radio"/> |

THE ACCOUNTS AND AUDIT PROCESS

Section 12 of the Public Audit (Wales) Act 2004 requires community and town councils (and their joint committees) in Wales to make up their accounts each year to 31 March and to have those accounts audited by the Auditor General for Wales. Regulation 14 of the Accounts and Audit (Wales) Regulations 2014 states that smaller local government bodies i.e. those with annual income and expenditure below £2.5 million must prepare their accounts in accordance with proper practices.

For community and town councils and their joint committees, proper practices are set out in the One Voice Wales/Society of Local Council Clerks publication **Governance and accountability for local councils in Wales – A Practitioners’ Guide** (the Practitioners’ Guide). The Practitioners’ Guide requires that they prepare their accounts in the form of an Annual Return. This Annual Return meets the requirements of the Practitioners’ Guide.

The accounts and audit arrangements follow the process as set out below.



Please read the guidance on completing this Annual Return and **complete all sections highlighted pink** including BOTH sections of the Annual Governance Statement.

APPROVING THE ANNUAL RETURN

There are two boxes for certification and approval by the body. The second box is only required if the Annual Return has to be amended as a result of the audit. You should only complete the top box before sending the form to the auditor.

The council must approve the Annual Return BEFORE the accounts and supporting documents are made available for public inspection under section 30 of the Public Audit (Wales) Act 2004.

The Auditor General for Wales’ Audit Certificate and report is to be completed by the auditor acting on behalf of the Auditor General. It **MUST NOT** be completed by the Clerk/RFO, the Chair or the internal auditor.

Audited and certified returns are sent back to the body for publication and display of the accounting statements, Annual Governance Statement and the Auditor General for Wales’ certificate and report.

Accounting statements 2019-20 for:

Name of body: **MOLD TOWN COUNCIL**

| | Year ending | | Notes and guidance for compilers |
|--|-------------------------|-------------------------|---|
| | 31 March 2019 (£) | 31 March 2020 (£) | Please round all figures to nearest £. Do not leave any boxes blank and report £0 or nil balances. All figures must agree to the underlying financial records for the relevant year. |

Statement of income and expenditure/receipts and payments

| | | | |
|---|--------|--------|--|
| 1. Balances brought forward | 302060 | 342834 | 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 | 259897 | 266963 | Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies. |
| 3. (+) Total other receipts | 150235 | 150437 | Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants. |
| 4. (-) Staff costs | 150835 | 184535 | Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and related expenses eg. termination costs. |
| 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 | 218523 | 189341 | 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 | 342834 | 386358 | Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6). |

Statement of balances

| | | | |
|---|--------|--------|---|
| 8. (+) Debtors and stock balances | 13096 | 17833 | Income and expenditure accounts only: Enter the value of debts owed to the body and stock balances held at the year-end. |
| 9. (+) Total cash and investments | 359046 | 393422 | 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 | 29307 | 24897 | Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end. |
| 11. (=) Balances carried forward | 342834 | 386358 | Total balances should equal line 7 above: Enter the total of (8+9-10). |
| 12. Total fixed assets and long-term assets | 200266 | 200266 | 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). |

| | | | | | | | |
|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------------------|--|
| 14. Trust funds disclosure note | Yes | No | N/A | Yes | No | N/A | The body acts as sole trustee for and is responsible for managing (a) trust fund(s)/assets (readers should note that the figures above do not include any trust transactions). |
| | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | |

Annual Governance Statement (Part 1)

We acknowledge as the members of the Council/Board/Committee, 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 2020, that:

| | Agreed? | | 'YES' means that the Council/Board/Committee: | PG Ref | |
|---|----------------------------------|-----------------------|---|---|------|
| | Yes | No* | | | |
| 1. We have put in place arrangements for: <ul style="list-style-type: none"> effective financial management during the year; and the preparation and approval of the accounting statements. | <input checked="" type="radio"/> | <input type="radio"/> | 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. | <input checked="" type="radio"/> | <input type="radio"/> | 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/Board/Committee to conduct its business or on its finances. | <input checked="" type="radio"/> | <input type="radio"/> | 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. | <input checked="" type="radio"/> | <input type="radio"/> | 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/Board/Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required. | <input checked="" type="radio"/> | <input type="radio"/> | 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. | <input checked="" type="radio"/> | <input type="radio"/> | 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/Board/Committee and, where appropriate, have included them on the accounting statements. | <input checked="" type="radio"/> | <input type="radio"/> | 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. | <input checked="" type="radio"/> | <input type="radio"/> | 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 – in our capacity as trustee, we have: <ul style="list-style-type: none"> discharged our responsibility in relation to the accountability for the fund(s) including financial reporting and, if required, independent examination or audit. | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | Has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts. | 3, 6 |

* 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.


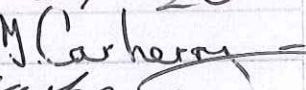
Annual Governance Statement (Part 2)

| | Agreed? | | | 'YES' means that the Council/Board/ Committee: |
|---|----------------------------------|-----------------------|-----------------------|--|
| | Yes | No* | N/A | |
| 1. We have prepared and approved minutes for all meetings held by the Council (including its committees) that accurately record the business transacted and the decisions made by the Council or committee. | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | Has kept and approved minutes in accordance with Schedule 12, Paragraph 41 of the Local Government Act 1972. |
| 2. We have ensured that the Council's minutes (including those of its committees) are available for public inspection and have been published electronically. | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | Has made arrangements for the minutes to be available for public inspection in accordance with section 228 of the Local Government Act 1972 and has published the minutes on its website in accordance with section 55 of the Local Government (Democracy) (Wales) Act 2013. |

* Please delete as appropriate.

Council/Board/Committee approval and certification

The Council/Board/Committee is responsible for the preparation of the accounting statements in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014 and for the preparation of the Annual Governance Statement.

| | |
|--|---|
| Certification by the RFO I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Council/Board/Committee, and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2020. | Approval by the Council/Board/Committee I confirm that these accounting statements and Annual Governance Statement were approved by the Council/Board/Committee under minute reference: |
| RFO signature:  | Minute ref: 33 - 07 - 20 |
| Name: IAN D JONES | Chair of meeting signature:  |
| Date: 29 th July 2020 | Name: Teresa Carberry |
| | Date: 29 th July 2020 |

Council/Board/Committee re-approval and re-certification (only required if the Annual Return has been amended at audit)

| | |
|--|---|
| Certification by the RFO I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Council/Board/Committee, and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2020. | Approval by the Council/Board/Committee I confirm that these accounting statements and Annual Governance Statement were approved by the Council/Board/Committee under minute reference: |
| RFO signature: | Minute ref: |
| Name: | Chair of meeting signature: |
| Date: | Name: |
| | Date: |

Auditor General for Wales' Audit Certificate and report

The external auditor conducts the audit on behalf of, and 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 2020 of:

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.

[[These matters along with]* Other matters not affecting our opinion which we draw to the attention of the body and our recommendations for improvement are included in our report to the body dated _____.]

Other matters and recommendations

On the basis of our review, we draw the body's attention to the following matters and recommendations which do not affect our audit opinion but should be addressed by the body.

(Continue on a separate sheet if required.)

External auditor's name:

External auditor's signature:

Date:

For and on behalf of the Auditor General for Wales

* Delete as appropriate.

Annual internal audit report to:

Name of body: MOLD TOWN COUNCIL

The Council/Board/Committee'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 2020.

The internal audit has been carried out in accordance with the Council/Board/Committee'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/Board/Committee.

| | 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. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Insert text |
| 2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for. | <input checked="" type="checkbox"/> * | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Insert text * EXCEPT FOR ISSUE 2 IN INTERNAL AUDIT REPORT |
| 3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these. | <input checked="" type="checkbox"/> * | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Insert text * SUBJECT TO ISSUE 1 IN INTERNAL AUDIT REPORT |
| 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. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Insert text |
| 5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for. | <input checked="" type="checkbox"/> * | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Insert text * EXCEPT FOR ISSUE 4 IN INTERNAL AUDIT REPORT |
| 6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Insert text |
| 7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Insert text |
| 8. Asset and investment registers were complete, accurate, and properly maintained. | <input checked="" type="checkbox"/> * | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Insert text * SUBJECT TO ISSUE 3 IN INTERNAL AUDIT REPORT |

| | 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. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Insert text |
| 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. | <input checked="" type="checkbox"/> * | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Insert text SUBJECT TO AMENDMENTS IN ISSUE 5 OF INTERNAL AUDIT REPORT |
| 11. Trust funds (including charitable trusts). The Council/Board/Committee has met its responsibilities as a trustee. | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Insert text |

For any risk areas identified by the Council/Board/Committee (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. Insert risk area | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Insert text |
| 13. Insert risk area | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Insert text |
| 14. Insert risk area | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Insert text |

* 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/Board/Committee are included in my detailed report to the Council/Board/Committee dated 01/07/2020] * 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 2018-19 and 2019-20. I also confirm that there are no conflicts of interest surrounding my appointment.

| | |
|---|---------------------------|
| Name of person who carried out the internal audit: | JDH BUSINESS SERVICES LTD |
| Signature of person who carried out the internal audit: | JDU Business Services Ltd |
| Date: | 01/07/2020 |

Guidance notes on completing the Annual Return

1. You must apply proper practices when preparing this Annual Return. Proper practices are set out in the Practitioners' Guide.
2. Make sure that the Annual Return is fully completed ie, no empty red boxes. Please avoid making any amendments to the completed return. If this is unavoidable, cross out the incorrect entries, make sure the amendments are drawn to the attention of the body, properly initialled and an explanation for them is provided to the external 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 and may incur additional costs. Ask your auditor for an electronic copy of the form if required.
3. Use a second pair of eyes, perhaps the Chair or a member, to review your Annual Return for completeness before sending the original form to the auditor.
4. Make sure that your accounting statements add up, that the balance carried forward from the previous year (line 7 of 2019) equals the balance brought forward in the current year (line 1 of 2020). Explain any differences between the 2019 figures on this Annual Return and the amounts recorded in last year's Annual Return.
5. Explain fully any significant variances in the accounting statements. Do not just send in a copy of your detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include a detailed analysis to support your explanation and be specific about the values of individual elements making up the variances.
6. Make sure that the copy of the bank reconciliation you send to your auditor with the 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 short-term investments, please note their value on the bank reconciliation. The auditor should also be able to agree your bank reconciliation to line 9 in the accounting statements. More help on bank reconciliations is available in the Practitioners' Guide.
7. **Every council must send to the external auditor, information to support the assertions made in the Annual Governance Statement even if you have not done so before.** Your auditor will tell you what information you need to provide. Please read the audit notice carefully to ensure you include all the information the auditor has asked for. You should send **copies** of the original records (certified by the Clerk and Chair as accurate copies) to the external auditor and not the original documents themselves.
8. Please do not send the auditor any information that you are not specifically asked for. Doing so is not helpful.
9. If the auditor has to review unsolicited information, repeat a request for information, receives an incomplete bank reconciliation or explanation of variances or receives original documents that must be returned, the auditor will incur additional costs for which they are entitled to charge additional fees.
10. **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.
11. **Please note that if completing the electronic form, you must print the form for it to be certified by the RFO and signed by the Chair before it is sent to the auditor.**

| Completion checklist – 'No' answers mean that you may not have met requirements | | Done? | |
|---|---|-------|----|
| Initial submission to the external auditor | | Yes | No |
| Accounts | Do the papers to be sent to the external auditor include an explanation of significant variations from last year to this year? | ✓ | |
| | Does the bank reconciliation as at 31 March 2020 agree to Line 9? | ✓ | |
| Approval | Has the RFO certified the accounting statements and Annual Governance Statement (Regulation 15 (1)) no later than 30 June 2020? | ✓ | |
| | Has the body approved the accounting statements before 30 June 2020 and has Section 3 been signed and dated by the person presiding at the meeting at which approval was given? | ✓ | |
| All sections | Have all pink boxes in the accounting statements and Annual Governance Statement been completed and explanations provided where needed? | ✓ | |
| | Has all the information requested by the external auditor been sent with this Annual Return? Please refer to your notice of audit and any additional schedules provided by your external auditor. | ✓ | |

| If accounts are amended after receipt of the Auditor General's report on matters arising | | Yes | No |
|--|--|-----|----|
| Accounts | Have the amended accounting statements been approved and Section 3 re-signed and re-dated as evidence of the Board's approval of the amendments before re-submission to the auditor? | | |

Mold Town Council

External Audit - Annual Return for the Year ended 31 March 2020

Significant Variances and Balances Held

1. Significant Variances

1.1 Precept (Box 2)

Increase in Variance is less than 10%.

1.2 Other Receipts (Box 3)

Increase in Variance is less than 10%.

1.3 Staff costs (Box 4)

There was a restructuring of staff during the year resulting in an increase in Variance. More paid staff hours were allocated and a new project resulted in an additional temporary project officer appointed during the year. These were to be reimbursed from an HLF grant.

1.4 Loan/Capital repayments (Box 5)

No payments were due or made.

1.5 Total other payments (Box 6)

There is a decrease in other payments of 15% caused mainly by an unusually expensive year in terms of these costs in 2018/19. E.g. new fencing in 2018/19 £13,853 from £2,255 in 2017/18; staff training for the previous Town Clerk from £585 in 2017/18 to £5448 in 2018/19

The figure for this year's expense is more back in line with the previous year 2017/18.

1.3 Debtors (Box 8)

The increase in debtors relates to the increase in the VAT claim for 2019/20 (fourth quarter). The figure of £8,768 was the VAT to be reclaimed as at 31 March 2020 together with some invoices of debtors outstanding e.g. Flintshire CC for Bailey Hill

1.4 Creditors (Box 10)

The decrease in creditors from £29,307 in 2018/19 to £24,897 this year is due mainly to the payment of Service (rental) fee of £8342.80 to Flintshire County Council on 31 March rather than in April as usual.

1.5. Total Fixed Assets (Box 12)

Increase in Variance is less than 10%.

1.6. Total Borrowings (Box 13)

No variance

**MOLD TOWN COUNCIL
CYNGOR TREF YR WYDDGRUG**

Town Hall
Earl Road
Mold
Flintshire
CH7 1AB

Telephone: 01352 758532



Neuadd y Dref
Ffordd yr Iarll
Yr Wyddgrug
Sir y Fflint
CH7 1AB

Ffôn: 01352 758532

www.moldtowncouncil.org.uk

23 June 2020

Certification and approval of annual accounts for 2019-20

Regulation 15(1) of the Accounts and Audit (Wales) Regulations 2014 (as amended) requires that Responsible Financial Officer of Mold Town Council sign and date the statement of accounts, and certify that [it properly presents Mold Town Council's receipts and payments for the year] or [it presents fairly the financial position of Mold Town Council at the end of the year and the Council's income and expenditure for the year]. The Regulations required that this be completed by 30 June 2020.

The Responsible Financial Officer has not signed and certified the accounts for the year ended 31 March 2020 due to delays caused by the COVID-19 outbreak. The statement of accounts will be prepared and the Responsible Financial Officer will sign and certify the statement of accounts by the end of July.

Ian Jones
Mold Town Clerk and Finance Officer

e-mail : e-bost

INTERNAL AUDIT REPORT – 2019/2020
MOLD TOWN COUNCIL

| ISSUE | RECOMMENDATION | FOLLOW UP |
|--|---|--|
| <p>1 Although the risk assessment was carried out and reviewed in 2019/20 it was not approved by Council due to the cancellation of the March 2020 Council meeting. The meeting was cancelled due to the COVID-19 situation.</p> | <p><i>We note that the risk assessment has been approved at the 6th May 2020 Council meeting.</i></p> | <p><i>None</i></p> |
| <p>2 It is more than three years since quotations were last obtained for the Christmas lighting contract. Material contracts should periodically be market tested in accordance with the financial regulations and always when the current contract is due to expire. Please also see issue 1 from 2019/20 interim audit.</p> | <p><i>Contracts must be awarded as per the financial regulations of the Council.</i></p> | <p><i>Christmas Lighting contract needs review</i></p> |
| <p>3 The Council purchased a tractor during the year. We have not seen evidence that the asset register has been updated for the purchase of this asset.</p> | <p><i>The asset register should be updated for additions and disposals.</i></p> | <p><i>Tractor value in Asset Register increased by £466</i></p> |
| <p>4 The Council receive income for a number of events. A review of the events records identified that they did not reconcile in total to the RBS ledger balances. An exercise reconciling each event to the ledger had not been undertaken for 2019/20. e.g. Novemberfest income in ledger = £11,197, however Novemberfest summary record = £11,994</p> | <p><i>Event income should be reconciled after every event to the amounts recorded in the general ledger and any discrepancies investigated.</i></p> | <p><i>To be implemented as soon as it is safe to hold events again</i></p> |

INTERNAL AUDIT REPORT – 2019/2020
MOLD TOWN COUNCIL

| | | | |
|---|---|---|--|
| 5 | <p>The annual return is incorrect due to the following:</p> <ul style="list-style-type: none"> - The council recharge the staff costs for the Bailey Hill officer to Flintshire County Council. A debtor for the recharge for £6500 has been offset against staff salaries in the ledger and staff costs and income are therefore understated. The funding for this position should be included within the accounts as income. - A review of the invoice to Flintshire CC for the rechargeable staff costs identified that an incorrect amount had been included as a debtor in the accounts. The correct amount due from Flintshire CC is £8633. - Included within staff costs is £4235.90 of expenditure relating to the cemetery (including the purchase of the tractor and cemetery works) that has been incorrectly coded to the 'Pension-Employer' code within the ledger. | <p><i>The annual return should be adjusted as follows:</i></p> <ol style="list-style-type: none"> 3. Total other receipts £150,437 4. Staff Costs £184,535 6. Total other payments £189,341 7. Balance carried forward £386,358 8. Debtors £17,833 11. Balances carried forward £386,358 (as above) <p><i>Expenditure should be coded to the correct codes within the ledger.</i></p> <p><i>The ledger and the supporting accounts should be amended for the adjustments above.</i></p> | <p>Annual Return amended as directed</p> <p>Re-Coded via Riathus</p> <p>Amendments being undertaken via Riathus</p> |
| 6 | <p>The Council are planning to introduce a retail voucher scheme for use in the town.</p> | <p><i>The Council must undertake a risk assessment in relation to the voucher scheme and ensure that:</i></p> <ul style="list-style-type: none"> - They can legally operate the scheme. - They have procedures in | <p>OVW and NALC consulted agreed with initial thoughts – legal under the Power of Wellbeing no comments on VAT issue</p> <p>Vouchers have hologram</p> |

INTERNAL AUDIT REPORT – 2019/2020
MOLD TOWN COUNCIL

| | | | |
|--|---|--|---|
| | | <ul style="list-style-type: none"> - <i>place to prevent fraud.</i> - <i>They have considered the accounting treatment of vouchers including those that remain unredeemed.</i> - <i>They have ensured that all no VAT implications of the voucher scheme are addressed.</i> | <p><i>and numbered we will have a record of unredeemed voucher number and value to be 'rolled over' to the next month. Prior to year-end, we would issue notice to all participating businesses requesting presentation of vouchers within a given amount of days</i></p> |
| 2019/20 interim audit recommendations | | | |
| 1 | We have not seen evidence that three quotations were obtained for the Town Guide printing contract as required by the financial regulations. | <i>Contracts should be awarded as per the financial regulations of the Council</i> | <i>No record of three quotations from 2018</i> |
| 2 | In a sample of payments tested, the bank details for two payments had been written on the invoice by the Clerk after obtaining the bank details by Phone. The financial regulations require 'Any changes in the recorded details of suppliers, such as bank account records, shall be approved in writing by a member' | <i>When the invoice does not record bank details, these should be provided in writing or from a verified email address in order that a Councillor can approve the new or amended bank details.</i> | <i>noted</i> |
| 3 | The Schedule of payments approved by Council are signed by the Chair but are not authorised on each page when longer than one | <i>The schedule of payments should be initiated on each page by the Chair when longer than one page.</i> | <i>Noted</i> |