

Annual Return for the Year Ended 31 March 2025

Accounting statement 2024-25 for:

Name of body:

Cyngor Cymuned Troedraur Community Council

	Year ending		Notes and guidance
	31 March 2024 (£)	31 March 2025 (£)	
<p>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.</p>			
Statement of income and expenditure/receipts and payments			
1. Balances brought forward	14,644	16,105	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	11,000	12,000	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	1,229	222	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	4,178	4,016	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, taxable allowances, PAYE and NI (employees and employers), pension contributions and termination costs. Exclude reimbursement of out-of-pocket expenses.
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	6,590	8,681	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	16,105	15,630	Total balances and reserves at the end of the year. Must equal $(1+2+3) - (4+5+6)$.
Statement of balances			
8. (+) Debtors	0	0	Income and expenditure accounts only: Enter the value of debts owed to the body at the year-end.
9. (+) Total cash and investments	16,105	15,630	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	0	0	Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	16,105	15,630	Total balances should equal line 7 above: Enter the total of $(8+9-10)$.
12. Total fixed assets and long-term assets	19,000	21,000	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).

Annual Governance Statement

We acknowledge as the members of the Council, 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 2025, that:

	Agreed?		'YES' means that the Council:	Toolkit
	Yes	No*		
1. In consultation with the community, we have developed a vision and purpose for the Council and used this vision to inform the Council's plans, budget and activities.	✓		Has consulted with the community and focussed its activities to meet the community's needs	A, C
2. We have adopted a Code of Conduct for members and officers and implemented an appropriate training plan for members to ensure all councillors understand their role and responsibilities.	✓		Ensures that councillors understand and are equipped to deliver their roles and responsibilities.	B
3. We have ensured that we electronically publish the information the Council is required to publish by law, on its website at www.cctroedyraur.cymru .	✓		Is transparent about its activities and provides the public with all information required by law	A, C, D, E
4. We have taken all reasonable steps to ensure that the Council complies with relevant laws and regulations when exercising its functions, including employment of staff and payment of allowances to members.	✓		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 does so	
5. We have adopted standing orders, financial regulations and terms of reference and ensure that these are followed when conducting business including functions delegated to committees.	✓		Has adopted rules and procedures to govern how the Council conducts its business including procurement of goods and services.	B, E
6. We have put in place arrangements for: <ul style="list-style-type: none"> • Effective financial management including the setting and monitoring of the Council's budget • Maintenance and security of accurate and up to date accounting and other financial records • Identifying potential liabilities, commitments, events and transactions that may have a financial impact on the Council. 	✓		Calculated its budget requirement in accordance with the law and properly monitors its financial position throughout the year	D
7. We have maintained an adequate system of internal control and management of risk, including: <ul style="list-style-type: none"> • measures designed to prevent and detect fraud and corruption including clearly documented procedures for authorising and making payments • assessment and management of risks facing the Council • an adequate and effective system of internal audit and reviewed the effectiveness of these arrangements. 	✓		Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge including arranging 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.	D, E
8. We have taken appropriate action on all matters raised in previous reports from internal and external audit.	✓		Considered and taken appropriate action to address weaknesses /issues brought to its attention by internal and external auditors.	D, E
9. We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Accounts and Audit (Wales) Regulations 2014.	✓		Has given all persons interested the opportunity to inspect the body's accounts as set out in the notice of audit issued by the Auditor General.	E
10. General power of Competence – The Council has resolved to adopt the General Power of Competence set out in Local Government and Elections (Wales) Act 2021	✓		Meets the eligibility criteria to exercise the general Power of Competence	E

* Please include an explanation for any 'No' answers

Additional disclosure notes

Include here any additional disclosures the Council considers necessary to aid the reader's understanding of the accounting statement and/or the annual governance statement

The following information is provided to assist the reader to understand the accounting statement and/or the Annual Governance Statement

1. Expenditure under S137 Local Government Act 1972

Section 137(1) of the 1972 Act permits the Council to spend on activities for which it has no other specific powers if the Council considers that the expenditure is in the interests of, and will bring direct benefit to, the area or any part of it, or all or some of its inhabitants, providing that the benefit is commensurate with the expenditure. Section 137(3) also permits the Council to incur expenditure for certain charitable and other purposes. The maximum expenditure that can be incurred under both section 137(1) and (3) for the financial year 2024-25 was £10.81 per elector.

In 2024-25, the Council made payments totalling £ _____ under section 137. These payments are included within 'Other payments' in the Accounting Statement.

2.

Trust Funds

Trust funds – The Council acts as sole trustee for and is responsible for managing trust fund(s)/assets. We exclude transactions related to these trusts from the Accounting Statement. In our capacity as trustee, we have discharged our responsibility in relation to the accountability for the fund(s) including financial reporting and, if required, independent examination or audit.	Yes	No	N/A ✓	Has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.
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Council approval and certification

The Council is responsible for the preparation of the accounting statements and the annual governance statement in accordance with the requirements of the Public Audit (Wales) Act 2004 (the Act) and the Accounts and Audit (Wales) Regulations 2014.

Certification by the RFO I certify that the accounting statements contained in this Annual Return present fairly the financial position of the Council, and its income and expenditure, or properly present receipts and payments, as the case may be, for the year ended 31 March 2025.	Approval by the Council I confirm that these accounting statements and Annual Governance Statement were approved by the Council under minute reference:
RFO signature: 	Minute ref: 770 6:1 Chair signature: 
Name: HELEN HORSCROFT Date: 13.06.25	Name: SHARON THOMAS Date: 01-07-2025

* Please include an explanation for any 'No' answers

Auditor General's report and audit opinion

I certify that I have completed the audit of the Annual Return for the year ended 31 March 2025 of **Troedraur Community Council**. My audit has been conducted on behalf of the Auditor General for Wales and in accordance with the requirements of the Public Audit (Wales) Act 2004 (the 2004 Act) and guidance issued by the Auditor General for Wales.

Audit opinion: Qualified

Except for the matters reported below in my Basis for Qualification, on the basis of my audit, in my opinion no matters have come to my attention to give cause for concern that, in any material respect, the information reported in this Annual Return:

- has not been prepared in accordance with proper practices;
- that relevant legislative and regulatory requirements have not been met;
- is not consistent with the Council's governance arrangements; and
- that the Council does not have proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

Basis of Qualification

Accounting Statement

I am unable to conclude whether or not the Accounting Statement properly presents the Council's receipts and payments and financial position:

- The Council has not provided explanations for variances between the current and prior year accounts.

Annual Governance Statement

In my opinion, the Annual Governance Statement is not consistent with the Council's internal controls and governance arrangements for the year:

- Assertion 2: The Local Government and Elections (Wales) Act 2021, requires the Council to create and publish a plan for councillor and staff training. The Welsh Government provides statutory guidance on this, which states that the plan must be approved by the full council and include details on the type of training, participant numbers, timeframe, and cost. The Council has not met its obligation under the Local Government and Elections (Wales) Act 2021 to create and publish a training plan for members.
- Assertion 3: The Council does not publish on its website the information it is required to publish electronically by sections 50 and 55 of the Democracy and Boundary Commission Cymru etc. Act 2013 and the Local Government and Elections (Wales) Act 2021

- Assertion 9: The Council did not make proper arrangements for public inspection of accounts required by the Public Audit (Wales) Act 2004 and the Accounts and Audit (Wales) Regulations 2014.

Other matters and recommendations

I draw the Council's attention to the following matters and recommendations which do not affect my audit opinion but should be addressed by the Council.

Information required for audit

Each year we send the Council an audit notice that sets out the information we need to complete the audit. Failure to provide this information may lead to a qualified audit opinion and potentially an increased audit fee.

The Council continues to disregard the information requirements set out in our audit notice. 2024-25 is the third year in succession that the Council has failed to provide information.

We recommend that the Council reviews the annual audit notice to ensure that all required information is provided on a timely basis.

General Power of Competence

The Council has provided a positive response to assertion 10 in the Annual Governance Statement. I have confirmed with the Council that the response provided was incorrect and that the Council does not meet the conditions required to exercise the General Power of Competence.

We recommend that before it provides positive responses to the assertion in the Annual Governance Statement, the Council carefully reviews the statement to ensure that its responses are accurate.

Council reserves

The Council has carried forward reserves of £15,630 compared to its annual precept of £12,000. The closing balances have been steadily increasing for a number of years.

The Local Government Finance Act 1992 only allows the Council to set a precept to fund planned expenditure and requires it to take its reserves into account when setting the precept. It is not clear from the information provided for audit whether or not the Council has taken its increasing reserves into account when setting the precept.

To ensure that it sets a lawful precept, we recommend that the Council reviews its reserves and its plans to apply these reserves when setting its future budgets and precept. Further guidance is found in the Practitioners' Guide.

Public inspection of accounts

The Council published its notice of public inspection on 1 July 2025 with an inspection period running from 7 July to 1 August 2025.

The 2014 Regulations require 14 days notice to be given for the inspection period. The Council only provided seven.

In our audit notice, we provided a proforma inspection notice including dates that complied with the Regulations.

We recommend that the Council uses the dates set out in the audit notice and where these need to be varied, all of the relevant dates are amended by the same number of days.

There are no further matters I wish to draw to the Council's attention.

 Richard Harries, Director, Audit Wales For and on behalf of the Auditor General for Wales	Date: 17/11/2025
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Annual internal audit report to:

Name of body:

Cyngor Cymuned Troedraur Community Council

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 2025.

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?				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.	✓				Please refer to the detailed internal audit report.
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	✓				
3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓				
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.	✓				
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 contracts/ minuted approvals, and PAYE and NI requirements were properly applied.	✓				
8. Asset and investment registers were complete, accurate, and properly maintained.	✓				

* Please include an explanation for any 'No' answers