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WALES **AUDIT** OFFICE  
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# Improving Financial Management and Governance: Issues from the Audit of Community Council Accounts 2011-12



# Improving Financial Management and Governance: Issues from the Audit of Community Council Accounts 2011-12

I have prepared and published this report in accordance with the Public Audit (Wales) Act 2004.

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The external audit of local councils' accounts for 2011-12 found that local councils need to maintain a clear focus on improving their financial management and governance arrangements. The number and range of common issues with the timing and quality of accounts and annual returns submitted for audit, and consequent audit qualifications, suggests there are systemic weaknesses that local councils need to address.

The external audit approach will be amended to encourage local councils to focus on improving their financial management and governance arrangements, and increase the public reporting of issues arising from audit work.



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## Local councils: accounts, governance and audit requirements

- 1** All public bodies in Wales have a responsibility to the citizens of Wales to account for their stewardship of the public money they have been entrusted with. The principal means of doing this is by the preparation of annual accounts that are subject to an independent external audit.
- 2** In June 2009, the Auditor General published his report *Community Councils: Good Governance – Good Practice*. The report followed well-publicised failures at a small number of community councils. It highlighted common weaknesses in governance arrangements at town and community councils (local councils) and identified four good practice lessons that all local councils could learn from. These good practice lessons are summarised in [Appendix 1](#). Links to the report and other documents referred to can be found in [Appendix 3](#).
- 3** To assist local councils, the Wales Audit Office also published its 'Community Council Money' Good Practice Exchange (the GPX) and maintains the GPX as a reference site open to all. The GPX provides a wide range of guidance to help local councils to improve their governance and financial reporting arrangements.
- 4** In his earlier consultation document *Contracting Strategy and the Audit of Town and Community Councils*, published in February 2012, the Auditor General highlighted his concerns that although some progress has been made since 2009, it remained the case that the sector as a whole did not have adequate and effective governance arrangements in place. Those concerns remain. This report summarises the results of auditors' work at local councils for the 2011-12 accounts. Auditors continue to find common and fundamental issues of weak financial management and governance arrangements across a large number of local councils in Wales. This report is intended to encourage local councils to maintain a clear focus on improving their financial management and governance arrangements.
- 5** Town and community councils (local councils) are elected bodies that represent their community and provide or contribute to a range of services – for example, parks and open spaces, cemeteries, allotments and bus shelters. There are over 730 local councils in Wales spending a combined total of over £40 million of public money each year. This expenditure is funded mainly through an annual charge, known as a precept, set by the local council and collected on its behalf as part of council tax.

- 6** Local councils are required to prepare their annual statement of accounts in accordance with statutory requirements and timetables as set out in the Accounts and Audit (Wales) Regulations 2005 (the Regulations) and proper accounting practices.
- 7** Local councils with annual income and expenditure of up to £1 million prepare their accounts in the form of an annual return. The annual return includes:
- Accounting statements
  - An Annual Governance Statement (AGS)
  - The external auditor's certificate and opinion
- 8** Proper practices for local councils' accounts are provided by the *Governance and Accountability for Local Councils in Wales – A Practitioners' Guide* (the Practitioners' Guide). The Practitioners' Guide is jointly published by One Voice Wales and the Society of Local Council Clerks (SLCC). It is available for download, free of charge to all councils, from the One Voice Wales and SLCC websites, and can also be purchased from these bodies, in hardcopy, for a nominal fee.
- 9** The Regulations require each local council to put in place, and ensure that there is, a sound system of internal control which facilitates the effective exercise of its functions. This includes arrangements to manage the risks faced by the council and arrangements for adequate and effective financial management.
- 10** In addition to accounting guidance, the Practitioners' Guide provides guidance for local councils on their responsibilities in relation to governance.
- 11** Councils report on their governance arrangements by completing the AGS in the annual return. The AGS is an assessment by the council that it:
- conducted its business in accordance with the law and proper standards;
  - safeguarded and properly accounted for public money; and
  - used its resources economically, efficiently and effectively.
- 12** As part of the AGS, the council will consider a number of areas and make a series of assertions or representations about how it has conducted its affairs during the year. These areas cover:
- Preparing the statement of accounts
  - Maintaining adequate internal controls
  - Compliance with the law and codes of practice
  - Providing for electors' rights
  - Managing risk
  - Internal audit
  - Responding to audit reports
  - Litigation, liabilities and commitments
  - Trust funds





- 13** Appendix 2 of this report sets out the assertions in more detail and provides a brief explanation of what the assurance given by a council means.
- 14** Local councils with an annual turnover of up to £1 million are subject to a 'limited assurance' audit framework. The framework does not require a full audit in accordance with professional auditing standards. Instead, it provides a level of assurance proportionate to the amounts of public money managed by these small bodies.
- 15** Under the limited assurance approach, auditors undertake a basic audit of the annual return at bodies with annual turnover up to £200,000 and an intermediate audit at bodies with a turnover between £200,001 and £1 million. Under the basic audit approach, small bodies are required to submit a minimum amount of information to the auditor with a completed annual return. As well as the basic audit requirements, the intermediate audit approach requires auditors to consider the small body's overall control environment in more detail. Auditors obtain additional evidence to support their opinion to reflect the greater risk associated with higher levels of activity or expenditure.
- 16** The Public Audit (Wales) Act 2004 (the Act) requires the Auditor General to appoint external auditors to audit the accounts of local councils. He has also published a Code of Audit Practice which prescribes the way in which auditors are to carry out their functions under the Act.
- 17** The Auditor General's Code of Audit Practice requires local councils' external auditors to examine the accounts and any additional information provided. Auditors give an opinion on the annual return and certify the completion of the audit.
- 18** Auditors report to individual councils, the findings from their audit before the annual return is formally approved by the council. Auditors issue an unqualified audit opinion where they consider the council prepared the annual return in accordance with statutory requirements and proper practices. Where this is not the case, the auditor will qualify the opinion and set out the reasons for the qualification.
- 19** As part of each audit, the auditor must also consider whether in the public interest he should make a report on any matter which comes to his notice in the course of the audit in order for it to be brought to the attention of the public. Auditors may also make written recommendations to a council requiring it to consider the recommendations at a public meeting.
- 20** Auditors also have certain responsibilities to members of the public under the Act. The Act provides members of the public with rights to inspect local councils' accounts and to approach the auditor to ask questions about the accounts or to make an objection to an item(s) contained in the accounts. To assist members of the public, the Auditor General has published an information leaflet: *Council accounts – Your rights in Wales*.

**21** The Auditor General expects that appointed auditors will deal with members of the public in a helpful manner. This means that auditors should respond promptly to correspondence received and wherever possible address the concerns raised with them. However, the extent of the auditor's remit is determined by the Act. Appointed auditors cannot provide services to members of the public that are not explicitly set out by the Act, for example, they cannot resolve disputes that members of the public may have with their local council. Auditors will consider on a case-by-case basis if they can deal with the issues raised and how best to deal with those issues, but it is for the auditor to judge whether a matter brought to his/her attention should be pursued as part of the audit. Where matters raised do not fall within the auditor's remit, this should be explained to the member of the public who raised the issues.





## Auditors' findings

### External auditors identified a number of issues common to a wide range of local councils in Wales

#### There is scope to improve the timeliness and quality of accounts submitted for audit

**22** In order to minimise both the cost and time required to undertake the audit for councils, it is important that councils provide the auditor with required information that is timely, complete and accurate. In 2011-12, auditors found that for Welsh local councils, this is frequently not the case.

#### Timeliness of the accounts

- 23** The Welsh Government encourages greater transparency by public bodies to explain how they use public money. Local electors are entitled to see how their local council has spent the money it has collected from fees and charges or via the annual precept, from council tax. Councils that fail to publish an annual return on a timely basis are not providing this basic level of public accountability.
- 24** Auditors aim to complete their audit work and issue their certificate and opinion in sufficient time to allow local councils to publish their annual return with an audit opinion by 30 September as required by the Regulations. As required by the Regulations, they appoint a date upon which they will commence the audit and expect councils to provide the annual return and supporting information to them by this date.

- 25** By 30 September 2012, auditors had issued the opinion and certificate on the 2011-12 annual return at only 646 councils (87 per cent). For the 13 per cent of councils where the auditors were unable to provide an audit opinion before 30 September, the auditors issued a qualified opinion.
- 26** By 31 December 2012, the number of completed audits had increased to 716 (97 per cent). However, this still meant that there were over 20 councils that had not received an audit opinion three months after the deadline.
- 27** In addition to the late 2011-12 annual returns, as at 30 September 2012, 12 councils had failed to produce or provide sufficient evidence to support the annual return for up to three of the previous financial years; despite various and repeated reminders by auditors.
- 28** In some cases, although the annual returns may be certified before 30 September, councils may not provide the annual returns and supporting information on a timely basis. In 2011-12, up to 40 per cent of councils did not provide the annual return and supporting information to auditors by the date appointed by the auditor. Up to 17 per cent of councils did not provide the information without the need for auditors to remind the council that the requested information was overdue.

**29** The Auditor General is concerned about persistent failure to publish an audited annual return on a timely basis. In his view, it is unacceptable that local councils funded by public money should fail to discharge their legal obligations and prepare statements of accounts for audit. As at 31 December 2012, the following councils have failed to prepare annual accounts or provide sufficient evidence for auditors to provide an opinion and so discharge their responsibilities under the Act for two or more of the financial years 2008-09 to 2011-12.

**30** The auditing the accounts report for 2012-13 audit work will include details of those councils that do not produce or provide sufficient evidence to support the annual return for 2012-13 and, if appropriate, any two previous years in time to enable the auditor to issue the certificate and opinion by 30 September. The Auditor General will also encourage auditors to draw such persistent failures to the attention of the public in the community served by the councils concerned.

**Exhibit 1 - Councils that have failed to prepare annual accounts or provide sufficient evidence for auditors to provide an opinion**

Council	Failed to prepare annual accounts or provide sufficient evidence for auditors for:			
	2008-09	2009-10	2010-11	2011-12
Glynneath Community Council	✓	✓	✓	✓
Machynlleth Community Council	✓	✓	✓	✓
Llanrhidian Higher Community Council		✓	✓	✓
Banwy Community Council		✓	✓	✓
Sully and Lavernock Community Council			✓	✓
Ogmore Valley Community Council			✓	✓
St Florence Community Council			✓	✓



## Quality of annual returns and supporting information

- 31** The accounting requirements for local councils are straightforward and all councils have access to the Practitioners' Guide to help them prepare their accounts ready for audit. The annual return itself is designed to be straightforward to complete and councils are required to provide only relatively limited information to auditors. The accounting and audit requirements are designed to be relatively straightforward in recognition both of the amounts of public money managed by local councils, and the resources available within these small bodies to deal with regulatory requirements. Nevertheless, a large number of local councils submitted annual returns that contained errors or omissions.
- 32** It is a matter of concern that almost one in 10 councils submit annual returns for audit that need to be corrected following the audit. In most cases, these are due to small errors in the accounting statements. However, some councils demonstrate an alarming lack of awareness of their responsibilities by inappropriately completing the external auditor's certificate.
- 33** Almost one in seven councils does not submit for audit a fully completed annual return. In most cases, the omissions are minor eg, council name not inserted. In other cases, the omissions are more significant eg, no signatures confirming that the responsible financial officer has certified the accounts or no responses to assertions in the AGS.
- 34** Auditors also report that they frequently need to contact councils to request information that they had previously advised the councils, was required to complete the audit.
- 35** These failures to provide complete and accurate annual returns and supporting information adds to the costs of undertaking the audit and often leads to increased audit fees being charged to individual councils. These additional costs are avoidable for these councils.

### Exhibit 2 - Number of councils providing inaccurate or incomplete submissions

	Number of councils
Annual returns requiring correction	69 (9%)
Incomplete annual returns	103 (14%)
Requested information not provided	67 (9%)

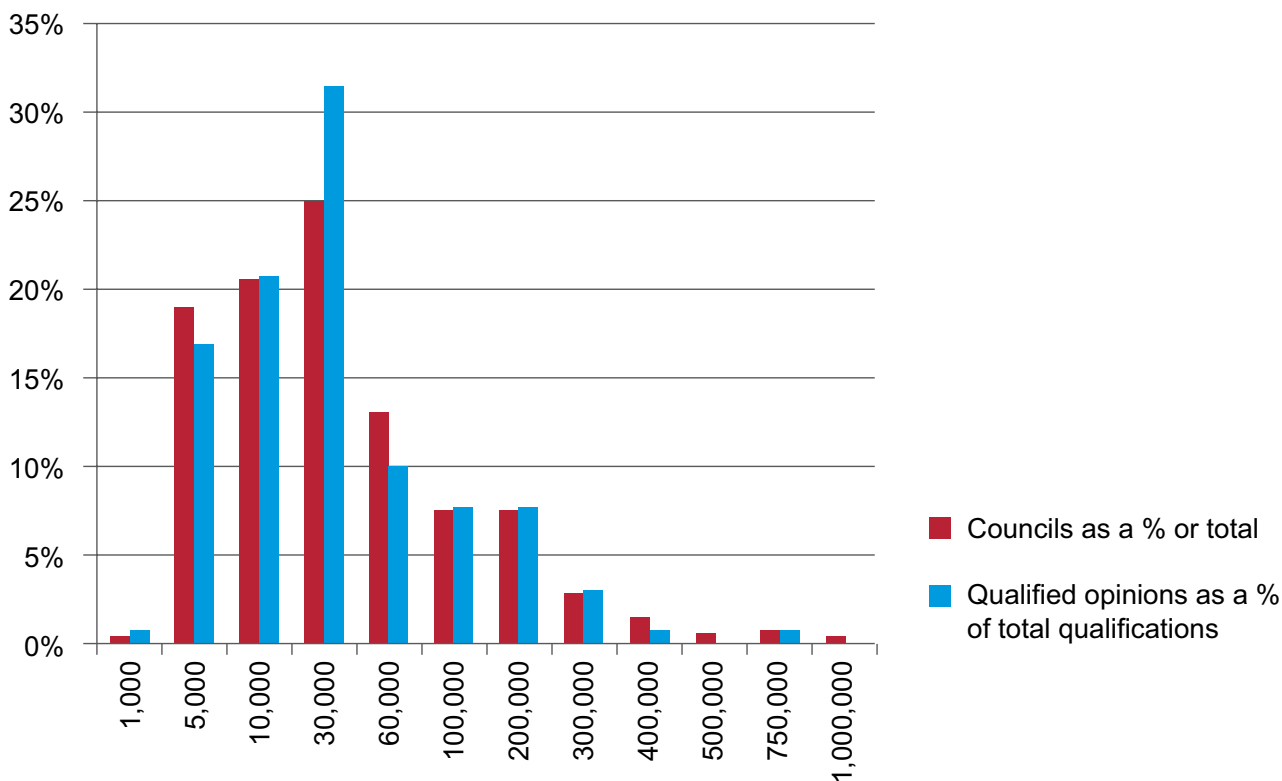
**The number and range of audit qualifications suggests there are systemic weaknesses in local councils' financial management and governance arrangements**

- 36** Auditors may qualify the opinion on the annual return because of issues identified in the accounting statements and/or the AGS. A qualification on the AGS may relate to one or more of the assertions made by the council.
- 37** It should be noted that all audit opinion qualifications are avoidable if individual councils have adequate and effective financial management and governance arrangements in place, and follow the simple steps required to prepare annual accounts and submit them for audit.

**Number of qualified audit opinions**

- 38** As at 31 December, auditors issued qualified audit opinions at 130 councils (17 per cent). In other words, almost one in five local councils failed to meet the required standards of governance.
- 39** Exhibit 3 shows the percentage of qualified opinions by income and expenditure for local councils compared with the percentage of total councils analysed by income and expenditure.

**Exhibit 3 - Qualified audit opinions for local councils by annual income and expenditure**





- 40** This chart highlights that the proportion of total audit qualifications for councils with annual income and expenditure between £5,000 and £30,000 is higher than the proportion of these councils to the total number of councils. It should be noted that these councils are only subject to a basic audit under the current audit arrangements and that these qualifications arise from only limited audit enquiries. In auditors' experience, these councils have more limited and weaker governance arrangements than larger councils.
- 41** **Exhibit 4** shows the number of small bodies with qualified opinions by annual turnover.
- 42** **Exhibit 4** identifies that 95 per cent of qualified audit reports are for councils subject to only a basic audit. Of the 130 councils with a qualification, 91 councils had annual income and expenditure of less than £30,000 (70 per cent). Councils with income and expenditure below £30,000 per year are proportionately more likely to receive a qualified audit opinion than larger councils. As councils increase in size, their management and governance arrangements become more mature and although they are subject to more detailed audit procedures, a smaller proportion receive qualified audit opinions.

**Exhibit 4 - Number of councils with qualified opinions by annual income and expenditure**

Annual income and expenditure	Type of audit	Number of councils	Number of qualified opinions
£0 – £1,000	Basic	4 (<1%)	1 (<1%)
£1,001 – £5,000	Basic	141 (19%)	22 (17%)
£5,000 – £10,000	Basic	153 (21%)	27 (21%)
£10,000 – £30,000	Basic	184 (25%)	41 (32%)
£30,001 – £60,000	Basic	97 (13%)	13 (10%)
£60,001 – £100,000	Basic	56 (8%)	10 (8%)
£100,001 – £200,000	Basic	56 (8%)	10 (8%)
£200,001 – £300,000	Intermediate	22 (3%)	4 (3%)
£300,001 – £400,000	Intermediate	11 (1%)	1 (<1%)
£400,001 – £500,000	Intermediate	5 (<1%)	0 (0%)
£500,001 – £750,000	Intermediate	6 (<1%)	1 (<1%)
£750,001 – £1,000,000	Intermediate	5 (<1%)	0 (0%)
<b>Total</b>		<b>739</b>	<b>130</b>

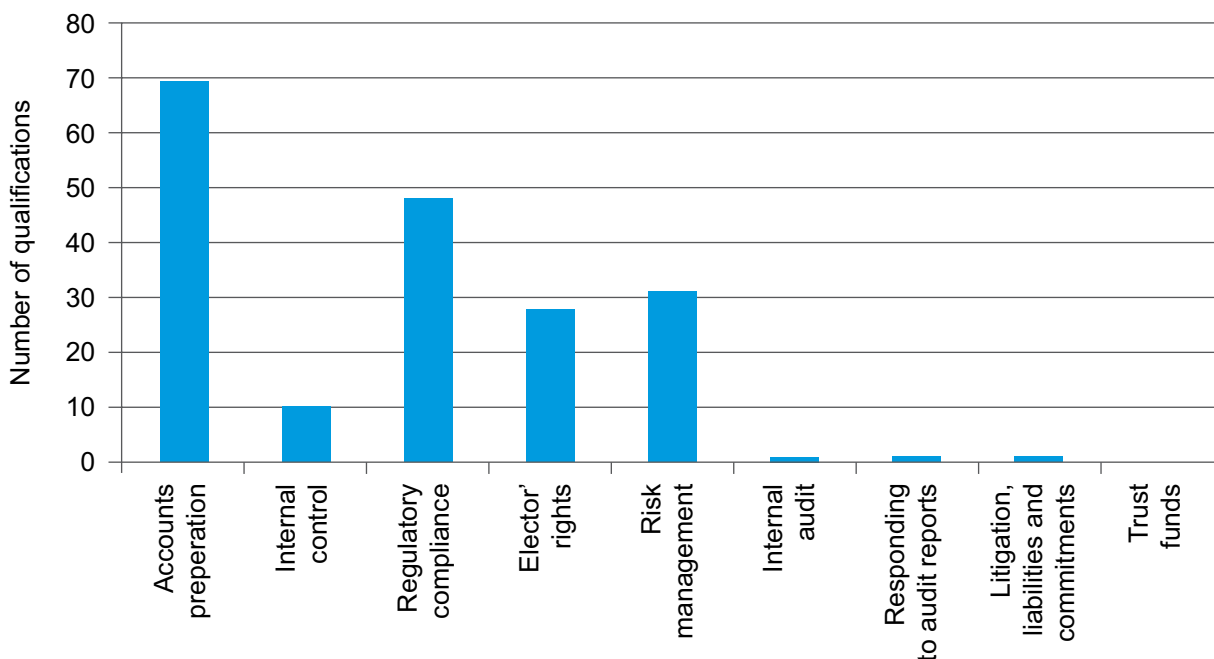
- 43** Auditors qualified the audit opinions of 26 councils for two or more separate issues.
- 44** In some cases, individual councils have received qualified audit opinions for three or more consecutive years. The persistent qualification of the audit opinion at these councils suggests there are systemic weaknesses in their financial management and governance arrangements. In the Auditor General's view, it is unacceptable that councils fail to address weaknesses in their governance arrangements or errors in their accounts when these matters are drawn to their attention by the external auditor.
- 45** Therefore, next year's auditing the accounts report will include details of those councils that receive a qualified audit opinion for 2012-13 and at least the two previous years. Where these qualifications are as a result

of the council's failure to take appropriate action, auditors will be encouraged to consider whether these are matters which should be drawn to the public's attention at local level.

**Qualification issues**

- 46** The majority of qualifications relate to the assertions made by councils in the AGS. In the AGS, councils make a positive statement that they have done what is required of them. In many cases, when auditors examine these assertions they find that councils have not in fact complied with the related requirements. In such cases, auditors qualify their audit opinion. **Exhibit 5** shows the number of qualifications relating to each of the assertions in the AGS. Some local councils receive a qualified opinion relating to two or more assertions.

**Exhibit 5 - Number of qualifications related to each AGS assertion**







- 47** The most common reason for qualifications related to the AGS was the failure to prepare accounts on time as discussed in paragraphs 23 to 30.
- 48** The next most common reason for qualification relates to assessing and managing financial and other risks. Statutory regulations state that local councils are responsible for putting in place and ensuring that there is a sound system of internal control which facilitates the effective exercise of their functions and which includes arrangements for the management of risk. Auditors qualify their opinions because of the councils' failure to demonstrate that they meet their statutory responsibilities.
- 49** The Act gives local electors various rights in relation to councils' accounts. These include the right to inspect the accounts and to address questions or make objections to an item of account, to the external auditor. Local councils have a responsibility to facilitate the exercise of these rights by their electors. One of the ways in which this is achieved is to place an advertisement in a prominent place to inform the public that the audit will shortly be carried out. In 28 (four per cent) cases, auditors identified that councils had failed to meet their statutory duty to advertise the audit or to make adequate arrangements for local electors to exercise their rights. However, it is not the role of the auditor to enforce electors' rights; that is a matter for the elector to pursue through the courts.
- 50** In the AGS, councils assert that they have taken all reasonable steps to ensure 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 council. A positive answer to this assertion means that the council 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.
- 51** Auditors have noted the following issues in relation to this assertion. In each of these cases, the council asserted that they comply with requirements but the auditor has found that they do not:
- **PAYE arrangements:** Most local councils employ and pay salary or other allowances to the clerk. They must therefore operate a Pay As You Earn (PAYE) system to deduct income tax and national insurance contributions at source. In 2011-12, one auditor specifically looked at how councils operated PAYE and identified that 34 out of 244 councils (14 per cent) do not operate PAYE.
  - **Members' code of conduct:** Councils must ensure that all members have agreed to act in accordance with a members' code of conduct.
  - **Statutory authority to incur expenditure:** As statutory bodies, local councils may only act where they have a statutory power to do so. Auditors have identified that councils incurred expenditure without ensuring that they have the appropriate legal power or have not applied the correct statutory power to do so. This suggests that some councils do not have a clear understanding of their statutory powers and responsibilities.
  - **Capital receipts:** Receipts from the disposal of assets have statutory rules over how the money can be used by the council. At one council, the auditor has qualified the opinion for a second year due to the council making inappropriate use of the monies, contrary to statutory regulations.

## Overall number of qualifications

**52** Overall, in 2012, 17 per cent of all councils received a qualified audit opinion. The comparative figure for 2010-11 was 11 per cent. In part, it appears that some councils have failed to make adjustments, such as rearranging their meeting schedule, to accommodate the earlier statutory timetable for the preparation of accounts. Nevertheless, the number of qualified opinions is too high and needs to be brought down by local councils improving their governance and compliance arrangements.

### In 2011-12, auditors exercised their statutory duties to report publicly at one council

**53** In most cases, auditors report their findings and recommendations to the council through the audit certificate (the audit opinion) and a report addressed to the council. Auditors issue these reports to the council at the conclusion of the audit to set out the auditor's findings and recommendations. The Auditor General encourages auditors to resolve issues with councils wherever possible through these means.

**54** However, resolution is not always possible, or possible in a timely manner, and in accordance with their duties under the Act, the auditor must always reserve the option of reporting their findings and recommendations on a wider basis. The Auditor General supports auditors who consider it necessary to issue a report in the public interest and/or make recommendations under section 25 of the Act.

## Reports in the public interest

**55** Auditors do not issue reports in the public interest lightly. Preparing and issuing these reports is time-consuming and results in additional costs to local councils. Nevertheless, consideration of whether or not such a report is required is an important duty for the auditor.

**56** In 2012, auditors issued one report in the public interest in relation to a community council:

- Llansannan Community Council – issued in December 2012 relating to the council's repeated failure to make proper arrangements for the exercise of local electors' rights to inspect the accounts, and to raise questions and make objections to the accounts to the auditor.

## Section 25 written recommendations

**57** When an auditor makes a recommendation under section 25 of the Act, the council must consider the recommendation in a public meeting. At the meeting, the council must consider the recommendation, whether to accept it and what action if any to take in response to the recommendation. Auditors did not issue any section 25 written recommendations in 2012.

**58** Notwithstanding the Auditor General's encouragement to auditors to resolve issues with councils ([paragraph 44](#)) the incidence of issues resolved in that way shows that further statutory reporting is necessary to inform the public of the issues, and to encourage councils to ensure their correction.



## Developing local council audit

### To help councils to improve their financial management and governance, the Auditor General will modify the audit arrangements for local councils for the 2014-15 audit

- 59** The outcomes of audit work undertaken since 2009 confirm that the standard of financial management and governance in local councils in Wales remains variable, and weaker than it should be.
- 60** In his *Consultation Document: Contracting Strategy and the Audit of Town and Community Councils*, the Auditor General consulted on changes to the limited assurance audit arrangements applied to local councils. Following the responses to the consultation, the Auditor General has concluded that the limited assurance audit arrangement should be modified to enhance the auditor's focus on governance arrangements, and increase statutory reporting to highlight failures. The current two-tier system will be replaced by a single type of audit for all bodies falling within the limited assurance audit arrangements for the 2014-15 audits. This change reflects the fact that a larger proportion of smaller councils receive a qualified audit opinion than of larger councils.
- 61** The revised arrangements will retain the principle of the current limited assurance audit arrangement ie, it will balance the value of the public funds being audited with the scale of the audit undertaken. It will therefore continue to provide a limited assurance audit opinion based upon a minimum review of information provided by the council. However, there will be a greater focus on governance and public reporting as part of each audit. The AGS will be extended with a new section highlighting 'thematic' areas for review at all councils. These themes will vary year on year and will include addressing concerns arising from audit findings. However, it should be noted that this should not require councils to undertake substantial additional work. Auditors will only seek evidence that all councils should readily have available.
- 62** In order to allow local councils to develop their governance arrangements, councils will be notified in advance of the specific areas that will form part of the thematic review each year. This arrangement will allow councils to identify areas where they need to improve their arrangements and to make any necessary improvements before the start of the financial year.
- 63** The Auditor General anticipates that these revised arrangements will help local councils to improve their financial management and governance arrangements over time.
- 64** The Public Audit (Wales) Act 2013 amends the Public Audit (Wales) Act 2004 and makes provision to reform audit arrangements in Wales. From April 2014, the Auditor General will become the auditor of all local government bodies, including town and community councils, in Wales. This will help to ensure that auditors apply a consistent approach to all audits across Wales.

## Appendix 1 – Community Councils: Good Governance – Good Practice (June 2009)

### Overall conclusions

In Wales, the standard of community councils' financial governance is variable. There are a number of significant common weaknesses that lead to an increased risk of losses by individual councils.

Although the number of reported frauds in Wales is small, when they happen they have a significant impact on public confidence in community councils. Adoption of four good practice lessons can reduce these risks.

### Good practice lessons

- members need to understand their legal responsibilities for looking after public funds;
- proper and effective financial management arrangements must be put in place;
- members must provide effective scrutiny of their council's financial affairs and satisfy themselves that they have an effective system of internal audit; and
- members must have a clear understanding of the external auditor's role and how they can work with the auditor.



## Appendix 2 – The Annual Governance Statement 2013

AGS assertion	'Yes' means that the council took the following action during the year:
We have approved the accounting statements which have been prepared in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2005 (as amended) and proper practices.	Prepared its accounting statements in the way prescribed by law.
We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.	Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
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 to conduct its business or on its finances.	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.
We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2005 (as amended).	Has given all persons interested the opportunity to inspect and ask questions about the Council's accounts.
We have carried out an assessment of the risks facing the Council and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	Considered the financial and other risks it faces in the operation of the Council and has dealt with them properly.
We have maintained an adequate and effective system of internal audit of the Council's accounting records and control systems throughout the year and have received a report from the internal auditor.	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 Council.
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 and, where appropriate, have included them on the accounting statements.	Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.
Trust funds – 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.	Has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.

## Appendix 3 – Further information

### **Community Councils: Good Governance – Good Practice**

Published by the Auditor General for Wales, 2009

English: [www.wao.gov.uk/assets/englishdocuments/Community\\_councils\\_good\\_governance\\_eng.pdf](http://www.wao.gov.uk/assets/englishdocuments/Community_councils_good_governance_eng.pdf)

Welsh: [www.wao.gov.uk/assets/welshdocuments/Community\\_councils\\_good\\_governance\\_cym.pdf](http://www.wao.gov.uk/assets/welshdocuments/Community_councils_good_governance_cym.pdf)

### **Consultation Document: Contracting Strategy and the Audit of Town and Community Councils**

Published by the Auditor General for Wales, 2012

English: [www.wao.gov.uk/assets/englishdocuments/Contracting\\_Strategy\\_Consultation\\_2012\\_Eng.pdf](http://www.wao.gov.uk/assets/englishdocuments/Contracting_Strategy_Consultation_2012_Eng.pdf)

Welsh: [www.wao.gov.uk/assets/welshdocuments/Contracting\\_Strategy\\_Consultation\\_2012\\_Welsh.pdf](http://www.wao.gov.uk/assets/welshdocuments/Contracting_Strategy_Consultation_2012_Welsh.pdf)

### **Governance and Accountability for Local Councils in Wales – A Practitioners' Guide (the Practitioners' Guide)**

Published by One Voice Wales and the Society of Local Council Clerks (SLCC), 2010

One Voice Wales: [www.onevoicewales.org.uk/practitioners-guide/practitioners-guide](http://www.onevoicewales.org.uk/practitioners-guide/practitioners-guide)

SLCC: [www.slcc.co.uk/bookstore/details/governance-and-accountability-wales-practitioners-guide/44/](http://www.slcc.co.uk/bookstore/details/governance-and-accountability-wales-practitioners-guide/44/)

### **Good Practice Exchange – Community Council Money**

Published by the Auditor General for Wales

English: [www.wao.gov.uk/goodpractice/2594.asp](http://www.wao.gov.uk/goodpractice/2594.asp)

Welsh: [www.wao.gov.uk/cymraeg/goodpractice/2594.asp](http://www.wao.gov.uk/cymraeg/goodpractice/2594.asp)

### **Council accounts – Your rights in Wales**

Published by the Auditor General for Wales

English: [www.wao.gov.uk/assets/englishdocuments/WAO\\_Council\\_Accounts\\_A5\\_eng.pdf](http://www.wao.gov.uk/assets/englishdocuments/WAO_Council_Accounts_A5_eng.pdf)

Welsh: [www.wao.gov.uk/assets/welshdocuments/WAO\\_Council\\_Accounts\\_A5\\_welsh.pdf](http://www.wao.gov.uk/assets/welshdocuments/WAO_Council_Accounts_A5_welsh.pdf)