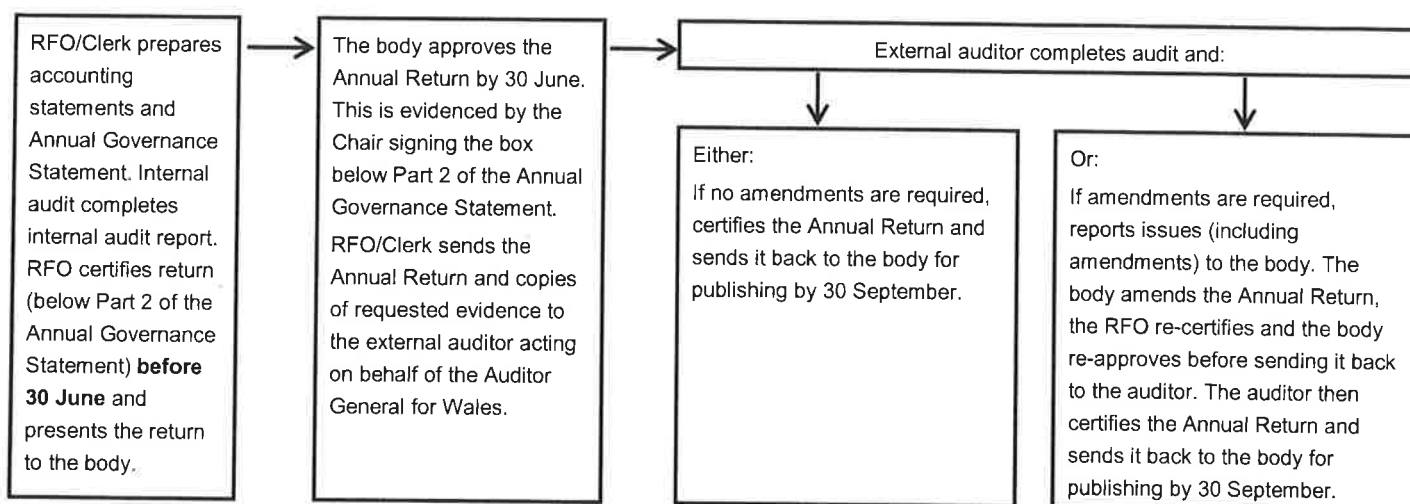


# Smaller relevant local government bodies in Wales Annual Return for the Year Ended 31 March 2019

Section 12 of the Public Audit (Wales) Act 2004 requires local government bodies 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 minor joint committees with income and expenditure below £2.5 million, 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 PROCESS

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 in red including 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 committee 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.**

Incomplete or incorrect returns may require additional external audit work and incur additional costs. Send the **original** Annual Return, together with all additional information requested, to the external auditor acting on behalf of the Auditor General for Wales. Unless requested, please **do not** send any original financial or other records to the external auditor. **DO NOT send any documents to the Wales Audit Office unless explicitly instructed to do so.**

**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 2018-19 for:

Name of body: Prosiect Gwyrdd

	Year ending		Notes and guidance for compilers
	31 March 2018 (£)	31 March 2019 (£)	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	327,749	342,866	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	160,000	135,000	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	27,258	27,781	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	-109,900	-109,221	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 e.g. termination costs.
5. (-) Loan interest/capital repayments	N/A	N/A	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	-62,241	-66,295	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	342,866	330,131	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	32,000	108,000	<b>Income and expenditure accounts only:</b> Enter the value of debts owed to the body and stock balances held at the year-end.
9. (+) Total cash and investments	314,182	227,547	<b>All accounts:</b> 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	-3,316	-5,416	<b>Income and expenditure accounts only:</b> Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	342,866	330,131	<b>Total balances should equal line 7 above:</b> Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	0	0	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 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 2019, that:

	Agreed?		'YES' means that the Committee:	PG Ref
	Yes	No*		
<p>1. We have put in place arrangements for:</p> <ul style="list-style-type: none"> <li>effective financial management during the year; and</li> <li>the preparation and approval of the accounting statements.</li> </ul>	<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
<p>2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.</p>	<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
<p>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 Committee to conduct its business or on its finances:</p>	<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
<p>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.</p>	<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
<p>5. We have carried out an assessment of the risks facing the Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.</p>	<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
<p>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.</p>	<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
<p>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 Committee and, where appropriate, have included them on the accounting statements.</p>	<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
<p>8. We have taken appropriate action on all matters raised in previous reports from internal and external audit.</p>	<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

\* 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.

## Committee approval and certification

The 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 2019.

RFO signature: signature required *[Signature]*

Name: name required CHRISTOPHER LEE

Date: dd/mm/yyyy 14/6/19

### Approval by the Committee

I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:

Insert minute reference and date of meeting \*

Chair of meeting signature: *[Signature]*

Name: name required MICHAEL COSGROVE - MICHAEL

Date: dd/mm/yyyy 25.6.19

\* - AGENDA ITEM 7, 25-6-19 COMMITTEE MEETING.

## 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 2019.

RFO signature: signature required

Name: name required

Date: dd/mm/yyyy

### Approval by the Committee

I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:

Insert minute reference and date of meeting

Chair of meeting signature: signature required

Name: name required

Date: dd/mm/yyyy

## 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 2019 of:

Prosiect Gwyrdd Joint Committee

### External auditor's report

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.

### Other matters and recommendations

On the basis of our review, there are no matters or recommendations to draw to the attention of the body.

External auditor's name:

ANN-MARIE WARKIN

External auditor's signature:

A. M. Warkin

Date:

10/9/2019

For and on behalf of the Auditor General for Wales



# Annual internal audit report to:

Name of body: Prosiect Gwyrdd 2018-2019

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 2019.

The internal audit has been carried out in accordance with Cardiff 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 Cardiff Council and Prosiect Gwyrdd.

	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.	●	●	●	●	<p>Appropriate books of accounts has been kept through Cardiff Councils main accounting ledger, SAP.</p> <ul style="list-style-type: none"> <li>• Income- Expenditure</li> <li>• Statement of balances</li> <li>• Highlight Report v1.0</li> <li>• Statement of income and expenditure/receipts and payments.</li> </ul>
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	●	●	●	●	<p>Financial regulations have been met, payments were supported by invoices and VAT has been appropriately accounted for under the accountable body: Cardiff Council's VAT registration with the necessary disclosures and permissions sought from HMRC.</p> <p>Copies of the Partner Contribution invoices, Statement of balances, Transaction List, Invoices and Partner Contribution invoices were sighted and checked.</p>
3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	●	●	●	●	<p>The body has assessed and mitigated significant risks in order to achieve its objectives. Risks are considered on the highlight reports presented at Contract Management Board meetings.</p> <p>Prosiect Gwyrdd's inherent risks are also mitigated via the Cardiff Council's Corporate Risk Register, which is subject to review twice a year.</p>

	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**	
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="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<p>Regular progress against budget is maintained and monitored by the Accountant and the Monitoring Position and the Projected Outturn is discussed regularly at Prosiect Gwyrdd's Joint Committee Contract Management Board Meetings.</p> <ul style="list-style-type: none"> <li>• SAP - Income- Expenditure</li> <li>• Statement of balances</li> <li>• CMB Meeting Minutes</li> <li>• CMB01-18 Highlight Report v1.0</li> </ul>
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<p>Income during each year is projected from the five joint council authorities based on correct invoices and VAT appropriately accounted for.</p> <ul style="list-style-type: none"> <li>• Contribution summary</li> <li>• Invoices</li> <li>• Income-Expenditure and Balance Sheet</li> </ul>
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<p>Analysis did not identify any Imprest accounts.</p>
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="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<p>Two full time employees were paid through Cardiff Council's main accounting ledger SAP and internal Payroll process DigiGov.</p>
8. Asset and investment registers were complete, accurate, and properly maintained.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<p>No tangible fixed assets.</p> <p>Current assets include cash (held by Cardiff Council) and Debtors.</p>

	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="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Monthly and year-end bank account reconciliations for inter companies are undertaken as part of the council's wide year-end bank reconciliations, any imbalances are rectified during the course of the year. Inter companies are not identified individually throughout the year.  A suitable qualified person undertakes the bank reconciliations.
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="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Accounting statement were prepared from figures based in SAP on the correct accounting basis, they agreed with the cashbook and were supported by an adequate audit trail from underlying records.
11. Trust funds (including charitable trusts). The Committee has met its responsibilities as a trustee.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	No Trust funds.

For any risk areas identified by the Committee (list any other risk areas below or on separate sheets if needed) adequate controls existed:

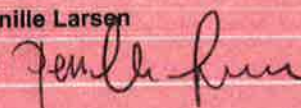
	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
12. Insert risk area	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Insert text
13. Insert risk area	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Insert text
14. Insert risk area	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Insert text

### Internal audit confirmation

I confirm that as the Committee's internal auditor, I 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 2017-18 and 2018-19. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit: Pernille Larsen

Signature of person who carried out the internal audit:



COFEE (Audit Manager)

Date: 15.05.2019