

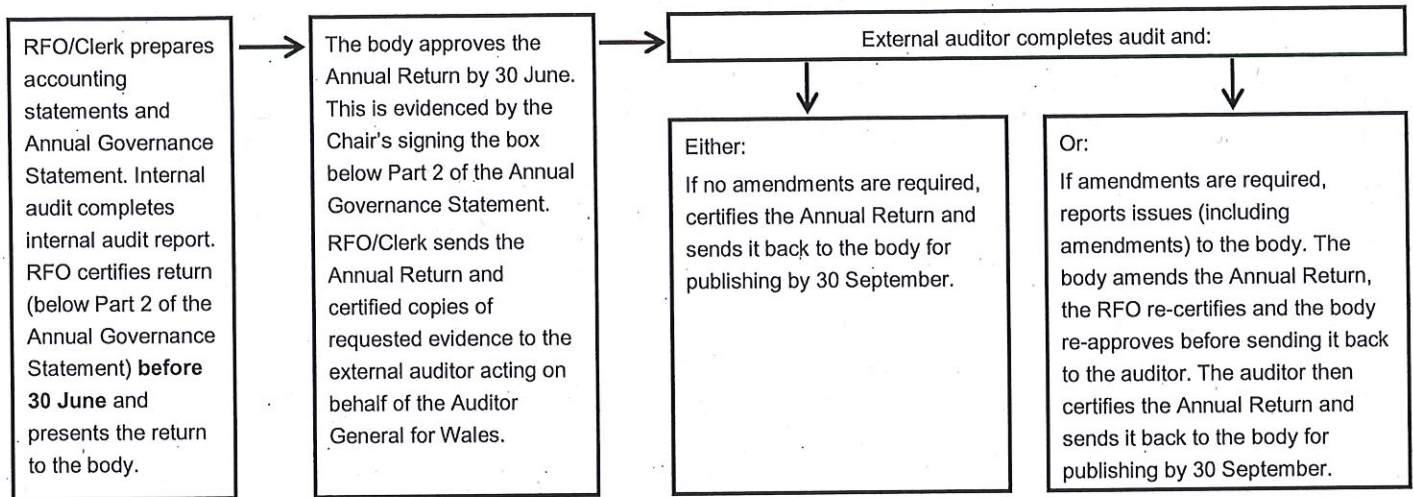


Smaller local government bodies in Wales Annual Return for the Year Ended 31 March 2018

Smaller local government bodies in Wales must prepare annual accounts following proper practices as set out in the One Voice Wales/SLCC publication **Governance and accountability for local councils in Wales – A Practitioners' Guide** (the Practitioners' Guide). The Practitioners' Guide states that bodies may prepare their accounts in the form of an annual return prepared by the Wales Audit Office.

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 both sections of the Annual Governance Statement.

PLEASE PRINT THIS DOCUMENT FOR SIGNATURE AND SEND IT TO YOUR AUDITOR

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.

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

Completion checklist

| 'No' answers mean that you may not have met requirements | | Done? | |
|--|--|----------------------------------|-----------------------|
| | | Yes | No |
| Initial submission to the external auditor | | | |
| Accounts | Has the RFO certified the accounting statements and the body approved the Annual Return (as evidenced by the relevant signatures), no later than 30 June 2018? | <input checked="" type="radio"/> | <input type="radio"/> |
| | Do the accounts add up and does the balance carried forward from last year equal the opening balance this year? | <input checked="" type="radio"/> | <input type="radio"/> |
| | Do the papers to be sent to the external auditor include an explanation of significant variations, including a quantified analysis of the changes from last year to this year? | <input checked="" type="radio"/> | <input type="radio"/> |
| | Does the bank reconciliation as at 31 March 2018 agree to line 9? | <input checked="" type="radio"/> | <input type="radio"/> |
| All sections | Have all red boxes been completed and explanations provided where needed? | <input checked="" type="radio"/> | <input type="radio"/> |
| Evidence | Has all the information requested by the external auditor been included? | <input checked="" type="radio"/> | <input type="radio"/> |

Accounting statements 2017-18 for:

Name of body: Prosiect Gwyrdd

| | Year ending | | Notes and guidance for compilers | | | | |
|--|------------------------------|-----------------------------|---|------------------------------|-----------------------------|---|--|
| | 31 March 2017 (£) | 31 March 2018 (£) | 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 | 303,834 | 327,749 | 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 | 160,000 | Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies. | | | | |
| 3. (+) Total other receipts | 32,665 | 27,258 | Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants. | | | | |
| 4. (-) Staff costs | -113,706 | -109,900 | 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 | 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 | -55,044 | -62,241 | 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 | 327,749 | 342,866 | 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 | 160,991 | 32,000 | 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 | 172,855 | 314,182 | 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 | -6,097 | -3,316 | Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end. | | | | |
| 11. (=) Balances carried forward | 327,749 | 342,866 | Total balances should equal line 7 above: Enter the total of (8+9-10). | | | | |
| 12. Total fixed assets and long-term assets | N/A | 0 | The original asset and investment register value of all fixed assets and any other long-term assets held as at 31 March. | | | | |
| 13. Total borrowing | N/A | 0 | The outstanding capital balance as at 31 March of all loans from third parties (including PWLB). | | | | |
| 14. Trust funds disclosure note | Yes <input type="radio"/> | No <input type="radio"/> | N/A <input checked="" type="radio"/> | Yes <input type="radio"/> | No <input type="radio"/> | N/A <input checked="" type="radio"/> | 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). |

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 2018, 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 and to ask questions about the body's accounts. | 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 considered the adequacy of reserves held by the body in setting the budget for 2017-18 and 2018-19 and have appropriate plans in place for the use of these reserves. | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | Has met the requirements of the Local Government Finance Act 1989 in setting the budget requirement and precept for the financial years. |
| 2. When awarding grants under section 137 of the Local Government Act 1972, we have kept a separate account of such grants and considered whether or not the benefits arising from such payments are commensurate with the sums paid. | <input type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> | Has kept and appropriate record of grants awarded and ensured that the expenditure is commensurate with the benefit to the community. |
| 3. The council has no obligation or intention to pay a gratuity to employees.* | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> | Has ensured that where it has an arrangement to provide a gratuity to staff, it has ensured that there is a legal obligation to provide the gratuity. |

* 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.

| | |
|---|--|
| <p>Certification by the RFO</p> <p>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 2018.</p> | <p>Approval by the Council/Board/Committee</p> <p>I confirm that these accounting statements and Annual Governance Statement were approved by the Council/Board/Committee under minute reference:</p> <p style="text-align: center;">Insert minute reference and date of meeting ^{* SEE BELOW}</p> |
| <p>RFO signature: signature required <i>C. SALTER</i></p> | <p>Chair signature: signature required <i>Michael</i></p> |
| <p>Name: name required <i>C. SALTER</i></p> | <p>Name: name required <i>CLLR MICHAEL</i></p> |
| <p>Date: dd/mm/yyyy <i>12/6/18</i></p> | <p>Date: dd/mm/yyyy <i>12.06.2018</i></p> |

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

| | |
|---|---|
| <p>Certification by the RFO</p> <p>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 2018.</p> | <p>Approval by the Council/Board/Committee</p> <p>I confirm that these accounting statements and Annual Governance Statement were approved by the Council/Board/Committee under minute reference:</p> <p style="text-align: center;">Insert minute reference and date of meeting</p> |
| <p>RFO signature: signature required <i>/</i></p> | <p>Chair signature: signature required <i>/</i></p> |
| <p>Name: name required <i>/</i></p> | <p>Name: name required <i>/</i></p> |
| <p>Date: dd/mm/yyyy <i>/</i></p> | <p>Date: dd/mm/yyyy <i>/</i></p> |

* APPROVED BY JOINT COMMITTEE AT ITS MEETING OF THE
12TH JUNE 2018 UNDER AGENDA ITEM 7.
MD Falson
18.09.2018

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 2018 of:

Prosiect Gwyrdd

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 MARKIN

External auditor's signature:

A. M. Markin

Date:

31/03/2018

For and on behalf of the Auditor General for Wales

*

Annual internal audit report to:

Name of body: **Prosiect Gwyrdd 2017-2018**

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 2018.

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.

| | 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 are kept through Cardiff Councils main accounting ledger, SAP.</p> <ul style="list-style-type: none"> • Income- Expenditure • Statement of balances • CMB Meeting Minutes • Highlight Report v1.0 • Statement of income and expenditure/receipts and payments. |
| 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 are 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 were sighted.</p> <ul style="list-style-type: none"> • Statement of balances • Transaction List • Invoices • Partner Contribution invoices |
| 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 and risks are considered on the highlight reports presented at Contract Management Board meetings.</p> <ul style="list-style-type: none"> • Project Green Website • CMB & Project Group Meeting Minutes • Cardiff Council Risk Register |

| | 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** | |
| | | | | | Prosiect Gwyrd's inherent risks are also mitigated via the Cardiff Council's Corporate Risk Register, which is subject to review twice a year. |
| 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 Gwyrd's Joint Committee Contract Management Board Meetings.</p> <ul style="list-style-type: none"> • SAP - Income- Expenditure • Statement of balances • CMB Meeting Minutes • CMB01-18 Highlight Report v1.0 |
| 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 5 joint council authorities based on correct invoices and VAT appropriately accounted for.</p> <ul style="list-style-type: none"> • Contribution summary • Invoices • Income-Expenditure and Balance Sheet |
| 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> <p>Income - Expenditure and Balance Sheet</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"/> | Through Cardiff Council main accounting ledger, SAP and internal Payroll process including DigiGov. |
| 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 are prepared from figures based in SAP on the correct accounting basis. |
| 11. Trust funds (including charitable trusts). The Council/Board/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 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="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | Insert text |
| 13. Insert risk area | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | Insert text |
| 14. Insert risk area | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | Insert text |

Internal audit confirmation I confirm that as the Council's internal auditor, I have not been involved in a management or administrative role within the body or as a member of the body during the financial years 2016-17 and 2017-18. 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:

Pernille Larsen IA/wood

Date: 23.05.2018