ISSUES ARISING REPORT FOR
Ffestiniog Town Council
Audit for the year ended 31 March 2020

Introduction

The following matters have been raised to draw items to the attention of Ffestiniog Town Council. These matters came to the attention of BDO LLP during the audit of the annual return for the year ended 31 March 2020.

The audit of the annual return may not disclose all shortcomings of the systems as some matters may not have come to the attention of the auditor. For this reason, the matters raised may not be the only ones that exist.

The matters listed below are explained in further detail on the page(s) that follow;

Issues Raised

- Approval of the annual return
- Accounting Statements - Trust Funds Disclosure Note
- Internal auditor's report
- Assets

The following issue(s) have been raised as there are minor errors on the annual return which we wish to draw to the attention of the body so they do not occur again in future years.

Accounting Statements - Trust Funds Disclosure Note

What is the issue?

The council has not answered box 14 for 2019 in error in the Accounting Statements of the annual return. We believe based on the prior year's information that the council should have answered 'N/a'.

Why has this issue been raised?

The disclosure on the annual return has not been completed, as we believe that the council is not the sole trustee of any charities.

What do we recommend you do?

The council should ensure in future years that it answers 'No' or 'N/a', to show that the council does not act as the sole trustee for and is not responsible for managing trust funds or assets.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in Wales - A Practitioners' Guide, OVW/SLCC

The following issue(s) have been raised to assist the body. The body is recommended to take action on the following issue(s) to ensure that the body acts within its statutory and regulatory framework.

Approval of the annual return

What is the issue?

The council have not entered the minute reference and date for the approval of the accounting statements and annual governance statement.

Why has this issue been raised?

The annual return has not been fully completed in accordance with requirements.

What do we recommend you do?

The council must ensure that all relevant boxes are fully complete before submitting the annual return for audit.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability for Local Councils in Wales, A Practitioners' Guide - OVW/SLCC

Internal auditor's report

What is the issue?

The internal auditor has not completed the annual internal audit report.

Why has this issue been raised?

Although the internal auditor did produce another report which found no issues with the internal controls in operation this is not evidenced in the annual internal audit report.

What do we recommend you do?

The council should ensure in future that the internal auditor completes the annual internal audit report, in the annual return, with the appropriate yes or no answers.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability for Local Councils in Wales, A Practitioners' Guide - OVW/SLCC

Assets

What is the issue?

Following a review of assets during the year, assets were identified that were previously omitted. The fixed asset figure for the current year has been updated to reflect these assets but the comparative figures have not been amended.

Why has this issue been raised?

This is not in line with the Practitioners' Guide which states that both years must be included on the same basis and also to explain the movement in fixed assets.

What do we recommend you do?

The council should ensure that the asset register is reviewed on an annual basis and any missing assets identified should be included at cost.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in Wales - A Practitioners' Guide, OVW/SLCC

No other matters came to our attention.

For and on behalf of
BDO LLP

Date: 22 February 2021