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 **Llangynidr 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

In my opinion, the Accounting Statement does not properly present the Council's receipts and payments and financial position:

- The Council has not provided a full and quantified explanation of variances between the current and prior years' accounts. Therefore I am unable to conclude whether or not the Accounting Statement is a full record of the Council's receipts and payments.
- The Council has not provided a properly completed bank reconciliation as at 31 March 2025 that agrees with the Accounting Statement. I am unable to conclude whether or not the Accounting Statement is a complete and accurate record of the Council's receipts and payments.
- Salary payments made do not agree with payslips provided for audit.Gross pay could not be reconciled to contracts of employment.

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 3: The Council does not publish on its website the information it is required to publish electronically by section 55 of the Democracy and Boundary Commission Cymru etc. Act 2013, the Local Government and Elections (Wales) Act 2021 and the Local Government Act 2000.

- Assertion 7: The Council's proper arrangements for making payments require that all payments are approved by the Council. My audit identified that 3 out of 19 payments tested were not approved in a Council meeting before payments were made.
- The Council's positive assertions in the Annual Governance Statement are inconsistent with the conclusions reported by the Internal Auditor.

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.

Accounting records

The Accounts and Audit (Wales) Regulations 2014 require the Council to maintain up to date and complete accounting records. We noted that the Council amalgamates individual transactions and the records do not clearly identify when payments relate to.

We recommend that the Council reviews its accounting system to ensure that its records record all individual transactions.

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.

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: 22/10/2026**