# 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 2023 of **Welshpool Town 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**

I am unable to conclude whether or not the Accounting Statement fairly present the Council's income and expenditure and financial position:

- The Council did not provide adequate supporting records for me to confirm the completeness and accuracy of income received (line 3)
- The Council provided a supporting schedules for debtors that was materially different to the amount reported in the Accounting Statement (line 8)
- The Council did not provide supporting documents e.g. invoices, to support 16 out of 20 payment transactions tested

**Annual Governance Statement**

I am unable to conclude whether or not the Annual Governance Statement is consistent with the Council's internal controls and governance arrangements for the year:

- Assertion 3: The C The Council has not provided evidence that it calculated its budget requirement in accordance with the Local Government Finance Act 1992 and that the precept has been set in line with the budget. The Act requires the Council to take into account its income and level of reserves when setting its budget requirement.
- Assertion 6: The Council was unable to demonstrate that it had in place proper arrangements for the approval of significant amounts of staff overtime.

## Arrangements to secure economy, efficiency and effectiveness in use of resources

I am unable to conclude whether or not the Council has proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources

- The Council did not provide evidence to demonstrate it had complied with its standing orders and financial regulations for procurement for two out of three material payments tested.

## 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 Statement: Reconciliation to ledger

There is an unexplained difference of £287 between the cash and bank balances recorded in the Council's ledger and that reported in the Accounting Statement.

We recommend that in future, the Council provides a full reconciliation for audit.

## Information required for audit

Each year we send the Council an audit notice that sets out the information we need to complete the audit. Failure to provide this information may lead to a qualified audit opinion and potentially an increased audit fee.

The Council failed to provide a significant amount of information required for the 2022-23 audit.

We recommend that the Council reviews the annual audit notice to ensure that all required information is provided on a timely basis.

There are no further matters I wish to draw to the Council's attention.

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| <br>**Richard Harries, Director, Audit Wales**<br>**For and on behalf of the Auditor General for Wales** | **Date: 24/11/2025** |