

Graig Community Council - AGAR report 2021-22 - Action Plan for Qualified Audit

Updated December 2023 with investigations, results and reported to Council

Basis for Qualification – Accounting Statement	Action	Results of investigations
<p>The Council’s accounting records (bank reconciliation) does not reconcile to the annual return.</p>	<p>To be investigated and annual return figures restated with correct figures and reconciled to the bank reconciliation.</p>	<p>Existing accounting spreadsheet for 2021-22 investigated and reconciled with bank statements – Result: the figure stated under Statement of balances (Box 9) on the submitted 2021-22 Annual Return was incorrect (£62181) – (the correct bank balance on 31st March 2022 was £68656 – it appears that the total amount of un-presented cheques/payments was deducted from the bank balance figure). I will include an explanation of the restated Balance brought forward for the auditors for the 2022-23 Annual Return.</p>
<p>The Council’s annual return for the current year is arithmetically incorrect, the Council was unable to provide an explanation for the errors.</p>	<p>To be investigated and annual return figures restated with correct figures.</p>	<p>The Balances brought forward (Box 1) for 2021-22 Annual Return was incorrect (see above). Figures in Boxes 1, 3, 4, 6, 7, 9 & 11 have all been restated with correct figures, giving correct Box 7 figure and reconciling with Box 9 (bank reconciliation) of £73121 for 31st March 2022 (see attached copies of both the accounting statements for 2021-22 and 2022-23) – You will see that the annual return for 2021-22 is now arithmetically correct on the 22-23 Annual Return accounting statements.</p>
<p>The Council has not provided a complete explanation for significant variances within the year.</p>	<p>To be investigated and reported back to Council.</p>	<p>I have no way of providing a complete explanation of variances between 2020-21 and 2021-22 without expending a considerable amount of time on it. It is up to the Council whether this is required, given that the audit</p>

		for 2021-22 is already qualified, this exercise won't change the auditor's report and qualification.
The Council has not provided supporting explanation for its increase in borrowing and we are unable to conclude as to whether this borrowing was approved.	To be investigated and reported back to Council.	I am unable to find an increase in borrowing – the balance of the PWLB loan reduced from 108000 to 102000 during the 2021-22 financial year.
Basis for Qualification – Annual Governance Statement	Action	
Assertion 1 – approval of the accounting statements. The Council has not had proper arrangements for the preparation and approval of the accounting statements for the current year. The Council did provide an approved annual return for audit.	To provide an approved annual return for audit for year ending 31 st March 2023. Ensuring proper arrangements in place for preparation and approval of the accounting statements for 2022-23.	This is still work in progress, accounts currently with Internal Auditor. Once Internal audit report completed the Annual Return for 22-23 will be presented to Council for approval the submitted for external audit.