

Basic audits 2024-25

Application: Council subject to a Basic audit for 2024-25

The Auditor General's right of access to information and explanations

Section 52 of the Public Audit (Wales) Act 2004 provides the Auditor General with the right of access to all information and explanations that he considers to be necessary for the purposes of the audit. Persons holding such information are required to provide this on request.

The following information is provided to assist councils to prepare information required for the audit of accounts.

Councils must note that this information request represents the core information we require. In most cases, this will be sufficient for us to complete the audit.

However, we may request any further information that we consider necessary to complete the audit. Further information may be required due to issues being identified or clarification being required during the audit process and/or if we receive correspondence related to individual councils.

Audit cycle

Your Council is subject to a 'basic' audit this year. The information required for audit can be seen below.

To view the audit cycle for the period 2024-25 to 2026-27, please refer to the attached document 'TCC_audit_cycle_by_county.pdf'. It is arranged by county.

Information required

Council contact details and core information

Each year, we identify numerous changes to clerk's/councils' contact details. In many cases, councils do not inform us of these changes.

We will be asking all councils to confirm their contact details each year to help us maintain our records.

Page 5 sets out the contact details and other core information we require. All councils must complete this so that we can ensure our dataset is up to date.

Bank reconciliation

A bank reconciliation is a control schedule prepared by the Council that agrees the balance per the bank statement at the year end to the bank balance per the Council's own records e.g. the cashbook. The Council should prepare a bank reconciliation every time it receives a bank statement to ensure that any errors are identified at an early stage.

The bank reconciliation(s) should cover all the Council's bank accounts. If the Council has more than one bank account it is helpful if you can provide a summary of the bank reconciliations that agrees to Box 8 on the Annual Return in addition to the detailed reconciliations prepared for each account.

If there are no outstanding items at the year-end you must still supply a bank reconciliation. A zero or "Nil" should be included in the relevant lines on the schedule or a clear statement should be made to that effect.

An example bank reconciliation is provided on page 4. We recommend that councils use this format.

Explanations of significant variances on the Accounting Statements

We require explanations for significant variances (increases or decreases) of more than 15% between the current audit year and the last audit year in lines 3, 4, 5, 6, 8, 10, 12 and 13. Variances of less than 15% need not be explained.

Positive and negative variances must be explained.

Your explanations must be quantified, i.e. state how much of the variance is covered by each specific explanation. Your explanations must ensure that the variances for each line are explained and quantified to within 15%.

You can set out your explanations of variances in any way you wish, but they should be clear and complete and easy to follow. You should not simply send a copy of a cashbook. We need to understand why the council's activity level changed.

Our suggested method of how to identify variances that require explanation, and suggested layout for providing explanations are set out on pages 7 and 8.

Well-being of Future Generations (Wales) Act 2015

For those councils subject to the requirements of the Well-being of Future Generations (Wales) Act 2015, a copy of the Council's report on how it is contributing to the wellbeing of its area.

Council contact details and other core information

Please provide the following contact details for the Council.

	Current details
Clerk's name	Sara Murray
Clerk's address ¹	Ammanford Town Council Iscennen Road Ammanford SA18 3BE
Clerk's contact telephone	01269 839570
Clerk's email address	clerk@ammanford-tc.gov.uk
Council website	https://www.ammanford-tc.gov.uk

Accounting records

Please indicate the format in which the Council keeps its accounting records

	Yes / No
Manuscript cashbook / receipts and payments book	
Spreadsheet	YES
Accounts software packages:	
• Rialtas	
• Sage	
• Scribe	
• Xero	
• Other (Please specify)	

¹ We will use this address to return any original records to you. The address you provide must be listed on [Postcode finder](#). We cannot return documents to a PO Box.

Bank reconciliation²

COUNCIL NAME:

COUNTY :

		£
A	Balance on the bank statement at 31 March (taken from bank statement)	<u>£286,620.60</u>
B	Outstanding items Less unpresented cheques (List each outstanding cheque)	
C	Plus uncleared payments into bank (to agree with attached list)	
D	Petty cash Plus any petty cash balance held at 31 March	
E	Balance in the cash book (Authority's own records) at 31 March (Calculated as $A-B+C+D=E$ and agrees with Box 9 on the Annual Return)	<u>£286,620.60</u>

² The bank reconciliation provided must equal line 9 on the annual return. Therefore, you need to either provide a reconciliation for every account held by the Council or combine them all on one sheet.

Explanation of variances

Working out what variances need to be explained

Line in section 1	Last Year £	This Year £	Variance Increase (+) or decrease (-) (This Year minus Last Year) £	% (Variance divided by Last Year figure multiplied by 100)	Explanation required? Less than 15% - NO More than 15% - YES
Line 3 Total other receipts	30,393	224,697	+194,304	639.30	YES
Line 4 Staff costs	53,130	79,399	+26,269	49.44	YES
Line 5 Loan interest/ capital repayments	0	0	0	0	NO
Line 6 Total other payments	203,890	477,415	+273,525	134.15	YES
Line 8 Debtors and stock balances	68,824	39,708	-29,116	42.30	YES
Line 10 Creditors	75,661	22,955	-52,706	69.66	YES
Line 12 Total fixed assets and long term assets	90,977	98,779	+7,802	8.57	NO
Line 13 Total borrowing	0	0	0	0	0

Suggested layout for explanations

One sheet to be prepared for **each variance** that requires explanation.

Line 3	£
Figure in This Year column	224,697
Figure in Last Year column	30,393
Variance (This Year figure less Last Year figure) A positive figure is an increase, a negative figure is a decrease	+194,304

Reasons (as many as are applicable)	Amount £
Reason 1 The increase in VAT income this year is due to a combination of outstanding VAT claims from previous years being processed, as well as increased VAT incurred on capital expenditure projects undertaken during the year, including the tennis court development and the new playground installation	£98,099.91 322.80%
Reason 2 Income increased due to the refurbishment of the tennis courts, which led to higher usage throughout the year. The council introduced a membership scheme and hired out the courts more frequently, generating additional income compared to previous years	£2,204.42 7.25%
Reason 3 Income increased due to the collection of outstanding hire charges from previous years relating to the	

use of the recreation ground by a fairground operator. Additionally, the rate of hire had been increased, resulting in higher income from current-year bookings as well.	£1,340.00 4.41%
<p>Reason 4</p> <p>Income increased due to grant funding received during the year, including grants from the Lawn Tennis Association (LTA) and the Shared Prosperity Fund. These were awarded in support of capital improvement projects such as the tennis court refurbishment and funding for an event in the Ammanford Town Centre during September 2024.</p>	£71,673.73 235.82%
<p>Reason 5</p> <p>An insurance payment was received during the year following a successful claim for storm damage to the changing rooms located at the Recreation Grounds. This one-off receipt contributed to an increase in income compared to the previous year</p>	£19,455.66 64.01%
<p>Reason 7</p> <p>During 2024, a water leak near the Outdoor Bowls Pavilion led to an investigation which revealed that the water supply to Ammanford Park toilets was also feeding the Bowls Pavilion. Ammanford Town Council had been covering the full water charges, including the Bowls' usage. A sub-meter was installed, and it was agreed with the Bowls Club that they would be invoiced for their portion of the water supply going forward. This arrangement contributed to an increase in income for the council</p>	£20.00 0.065

Reason 8 A refund was received from the council's insurance provider following a re-evaluation of the policy. It was identified that the council had overpaid, and a reimbursement was issued during the financial year. This one-off refund contributed to an increase in income	£90.94 0.30%
Unexplained	Yes
Confirm unexplained amount is less than 15% of Last Year figure	£1,419.34 is 4.67% the amount is less than 15% of last year figure

Line 4	£
Figure in This Year column	79,399
Figure in Last Year column	53,130
Variance (This Year figure less Last Year figure) A positive figure is an increase, a negative figure is a decrease	+26,269

Reasons (as many as are applicable)	Amount £
Reason 1 HR services were contracted in November 2023, resulting in only four months of costs being recorded in the 2023/24 financial year. In 2024/25, the contract continued, leading to an additional nine months of payments. Additional costs were also incurred during the year in relation to a formal hearing involving a member of staff. These factors contributed to the increase in HR-related expenditure compared to the previous year	£11,435.82 21.52%
Reason 2 Additional pension and National Insurance contributions associated with the increased staffing levels.	£1,249.48 2.35%
Reason 3 Staff costs increased during the year due to the appointment of an Interim Responsible Financial Officer (RFO) in June 2024. This additional staffing arrangement contributed to higher	£11,890.20 22.38%

salary and payroll costs compared to the previous year	
Reason 4 Staff costs increased due to the implementation of the NALC National Pay Agreement. This included a salary adjustment and back pay owed to staff,	£1,179.41 2.22%
Reason 5 Additional payroll costs were also incurred to obtain the necessary calculations and support for processing the back pay and calculations of pension	£440.00 0.83%
Reason 6 Staff expenses increased due to the payment of Chartered Institute of Building (CIOB) membership fees for a member of staff. This professional membership supports the council's commitment to staff development and professional standards	£74.00 0.14%
Unexplained	NO
Confirm unexplained amount is less than 15% of Last Year figure	

Line 6	£
Figure in This Year column	477,415
Figure in Last Year column	203,890
Variance (This Year figure less Last Year figure) A positive figure is an increase, a negative figure is a decrease	+273,525

Reasons (as many as are applicable)	Amount £
Reason 1 Expenditure increased due to higher Service Level Agreement (SLA) payments made to Carmarthenshire County Council for grounds maintenance. A repayment plan was agreed to clear an outstanding balance from previous years, resulting in additional payments during this financial year. This contributed to the overall increase in expenditure	£39,996.00 19.62%
Reason 2 Expenditure increased due to capital investment in a new playground in Ammanford Park. This project formed part of the council's commitment to improving local recreational facilities and contributed to higher spending during the financial year	£105,154.20 51.57%
Reason 3	

Expenditure increased due to the refurbishment of the tennis courts in Ammanford Park. As part of the project, an accessibility ramp was also installed to ensure compliance with the Disability Discrimination Act (DDA). These works formed part of a broader investment in improving local sports facilities and contributed to higher capital expenditure during the financial year	£106,135.39 52.05%
Reason 4 Expenditure increased due to the installation of solar lighting in Ammanford Park. This investment was made to improve safety and accessibility in the park and forms part of the council's commitment to sustainable and energy-efficient infrastructure	£21,335.39 10.46%
Reason 5 Expenditure increased due to the payment of Council Members' allowances and consumable expenses for the 2023–2024 financial year, which had not been processed or completed within that financial year. These payments were made during 2024–2025, resulting in higher costs in the current year	£800.80 0.39%
Reason 6 Expenditure increased due to Council training sessions being conducted during the 2024–2025 financial year. No training had been carried out in 2023–2024, so the current year reflects a return to regular training activity and associated costs	£80.00 0.039%
Reason 7	£33.60 0.016%

Expenditure increased due to higher maintenance costs for the All-Saints Church Clock during the 2024–2025 financial year. This represents an increase compared to the previous year.	
Unexplained	NO
Confirm unexplained amount is less than 15% of Last Year figure	

Line 8	£
Figure in This Year column	39,708
Figure in Last Year column	68,824
Variance (This Year figure less Last Year figure) A positive figure is an increase, a negative figure is a decrease	-29,116

Reasons (as many as are applicable)	Amount £
Reason 1 The variance is attributed to an increase in debtors, due to a grant payment expected from the Mynydd y Betws Wind Farm Community Benefit Fund which had not been received by the financial year end. The payment had been approved and was confirmed as due, but remained outstanding at the time of reporting, resulting in an increase in year-end debtors	-£14,224.00 20.67%
Reason 2	-£15,741.58 22.87%

The variance is partly due to an increase in debtors arising from the VAT 126 reclaim for Quarter 4, which had not been received by the end of the financial year. The reclaim was submitted and is expected to be paid in the following financial year, contributing to the higher debtor balance at year-end	
Unexplained	Yes
Confirm unexplained amount is less than 15% of Last Year figure	The amount £849.58 is 1.23%

Line 10	£
Figure in This Year column	22,955
Figure in Last Year column	75,661
Variance (This Year figure less Last Year figure) A positive figure is an increase, a negative figure is a decrease	-52,706

Reasons (as many as are applicable)	Amount £
<p>Reason 1</p> <p>Creditors have decreased from £75,661 in 2023–2024 to £22,955 in 2024–2025. This reduction is due to Ammanford Town Council's focus on improving financial management and ensuring that invoices and outstanding commitments are paid in a timely manner. In the previous year, a significant amount was owed to Carmarthenshire County Council for grounds maintenance covering multiple years, which has now been largely cleared through a structured payment plan. As a result, the year-end creditor balance has significantly reduced in the last financial year.</p>	<p>-£39,996.00 52.86%</p>
<p>Reason 2</p> <p>Ammanford Town Council has implemented a number of measures to reduce the level of outstanding liabilities and ensure timely payment to suppliers. The following actions have been taken:</p> <ul style="list-style-type: none"> • Improved internal invoice processing procedures to ensure the prompt review, 	<p>Ammanford Splash Pad Water</p> <p>- £6363.28 8.41%</p> <p>Recreation Ground Water Rugby</p> <p>- £721.27 0.95%</p> <p>Ammanford Park Toilets</p> <p>- £804.67 1.06%</p>

<p>approval, and payment of new liabilities.</p> <ul style="list-style-type: none"> • Established regular monthly payment schedules to prevent the accumulation of unpaid invoices and maintain consistent cash flow management. • Strengthened financial oversight by staff and councillors to actively monitor outstanding commitments and address them in a timely manner. • Settled invoices received in April 2024 which related to goods or services from the previous financial year, ensuring that outstanding amounts from 2023–2024 were cleared promptly in 2024–2025. <p>These steps have contributed significantly to reducing the council's creditor balance and improving its overall financial management.</p>	<p>Panttyffynnon changing rooms</p> <ul style="list-style-type: none"> - £664.26 0.88% <p>Lighting</p> <ul style="list-style-type: none"> - £1480.96 1.96% <p>EDF Dressing rooms Panttyffynnon</p> <ul style="list-style-type: none"> - £396.52 0.52% <p>Heartbeat trust</p> <ul style="list-style-type: none"> - £891.99 1.18% <p>EDF</p> <ul style="list-style-type: none"> - £106.90 Recreation Ground 0.14% - £133.71 Public Convenience Margaret Street 0.18% - £119.99 Public Convenience Ammanford Park 0.16% <p>Toilets – Service Waste Clearance</p> <ul style="list-style-type: none"> - £935 1.24%
Unexplained	YES
Confirm unexplained amount is less than 15% of Last Year figure	–£91.45 is 0.12% of last years figure

Line 12	£
Figure in This Year column	98,779
Figure in Last Year column	90,977
Variance (This Year figure less Last Year figure) A positive figure is an increase, a negative figure is a decrease	+£7,802

Reasons (as many as are applicable)	Amount £
Reason 1 The council's asset register increased during the financial year due to the purchase of gazebos and sidewalls. These items were acquired to support council-run community events and enhance the council's capacity to deliver outdoor activities. The increase reflects an investment in reusable equipment to benefit future public events	+£7802 8.57%
Unexplained	NO
Confirm unexplained amount is less than 15% of Last Year figure	

Please note that explanations should be quantified and should consider one off items in both the current and prior years. Explanations that do not quantify each element of the variance will not be accepted as a full explanation and will likely result in a qualified opinion. Examples of unacceptable explanations include:

- Expenditure increased because the Council spent more on staff .
- Other payments increased because of park benches and grass cutting,

Governance themes 2024-25

Capital projects

Please provide the following information:

1. Details of capital projects undertaking during the year. This should include project name and spend in year. If none, please state that this is the case.
2. A copy of the minutes of the meeting at which the project contract was approved.

Member and officer training

Please provide the following information:

1. A copy of the Council's training plan.

Completion of audit 2023-24

Please provide the following information:

1. Link to the Council's website page where the audit completion notice for 2023-24 has been published or:
2. If the 2023-24 audit is not complete, link to the Council's website page where the latest audit completion notice has been published.

PLEASE NOTE THAT FOR THIS ITEM WE WANT A LINK TO YOUR WEBSITE NOT A COPY OF THE DOCUMENT