

Annual Return for the Year Ended 31 March 2025

Accounting statement 2024-25 for:

Name of body: **PRESTEIGNE AND NORTON TOWN COUNCIL**

	Year ending		Notes and guidance
	31 March 2024 (£)	31 March 2025 (£)	
Statement of income and expenditure/receipts and payments			
1. Balances brought forward	101,288	120,639	Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to line 7 of the previous year.
2. (+) Income from local taxation/levy	72,938	75,752	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	71,767	86,716	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	28,345	29,379	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, taxable allowances, PAYE and NI (employees and employers), pension contributions and termination costs. Exclude reimbursement of out-of-pocket expenses.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	97,009	98,738	Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	120,639	154,990	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).
Statement of balances			
8. (+) Debtors	0	0	Income and expenditure accounts only: Enter the value of debts owed to the body at the year-end.
9. (+) Total cash and investments	120,639	154,990	All accounts: The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must agree with the reconciled cashbook balance as per the bank reconciliation.
10. (-) Creditors	0	0	Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	120,639	154,990	Total balances should equal line 7 above: Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	434,724	438,478	The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing	nil	nil	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

Annual Governance Statement

We acknowledge as the members of the Council, our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2025, that:

	Agreed?		'YES' means that the Council:	Toolkit
	Yes	No*		
1. In consultation with the community, we have developed a vision and purpose for the Council and used this vision to inform the Council's plans, budget and activities.	See note 2	No	Has consulted with the community and focussed its activities to meet the community's needs	A, C
2. We have adopted a Code of Conduct for members and officers and implemented an appropriate training plan for members to ensure all councillors understand their role and responsibilities.	Yes		Ensures that councillors understand and are equipped to deliver their roles and responsibilities.	B
3. We have ensured that we electronically publish the information the Council is required to publish by law, on its website at [insert name of website].	Yes		Is transparent about its activities and provides the public with all information required by law	A, C, D, E
4. We have taken all reasonable steps to ensure that the Council complies with relevant laws and regulations when exercising its functions, including employment of staff and payment of allowances to members.	Yes		Has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it does so	
5. We have adopted standing orders, financial regulations and terms of reference and ensure that these are followed when conducting business including functions delegated to committees.	Yes		Has adopted rules and procedures to govern how the Council conducts its business including procurement of goods and services.	B, E
6. We have put in place arrangements for: <ul style="list-style-type: none"> Effective financial management including the setting and monitoring of the Council's budget Maintenance and security of accurate and up to date accounting and other financial records Identifying potential liabilities, commitments, events and transactions that may have a financial impact on the Council. 	Yes		Calculated its budget requirement in accordance with the law and properly monitors its financial position throughout the year	D
7. We have maintained an adequate system of internal control and management of risk, including: <ul style="list-style-type: none"> measures designed to prevent and detect fraud and corruption including clearly documented procedures for authorising and making payments assessment and management of risks facing the Council an adequate and effective system of internal audit and reviewed the effectiveness of these arrangements. 	Yes		Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge including arranging for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the body.	D, E
8. We have taken appropriate action on all matters raised in previous reports from internal and external audit.	Yes		Considered and taken appropriate action to address weaknesses /issues brought to its attention by internal and external auditors.	D, E
9. We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Accounts and Audit (Wales) Regulations 2014.	Yes		Has given all persons interested the opportunity to inspect the body's accounts as set out in the notice of audit issued by the Auditor General.	E
10. General power of Competence – The Council has resolved to adopt the General Power of Competence set out in Local Government and Elections (Wales) Act 2021	See Note 3	No	Meets the eligibility criteria to exercise the general Power of Competence	E

* Please include an explanation for any 'No' answers

Additional disclosure notes

Include here any additional disclosures the Council considers necessary to aid the reader's understanding of the accounting statement and/or the annual governance statement

The following information is provided to assist the reader to understand the accounting statement and/or the Annual Governance Statement

1. Expenditure under S137 Local Government Act 1972

Section 137(1) of the 1972 Act permits the Council to spend on activities for which it has no other specific powers if the Council considers that the expenditure is in the interests of, and will bring direct benefit to, the area or any part of it, or all or some of its inhabitants, providing that the benefit is commensurate with the expenditure. Section 137(3) also permits the Council to incur expenditure for certain charitable and other purposes. The maximum expenditure that can be incurred under both section 137(1) and (3) for the financial year 2024-25 was £10.81 per elector.

In 2024-25, the Council made payments totalling £4224.00 under section 137. These payments are included within 'Other payments' in the Accounting Statement.

2. The Council has not held a community consultation recently. The most recent survey of residents was in 2022 as part of a Town Improvement Plan. Previous surveys have been held both generally and on specific matters (eg on housing need, development in Norton village).
3. The Council is not eligible for the General Power of Competence due to less than two thirds of Members having been formally elected.

Trust Funds

Trust funds – The Council acts as sole trustee for and is responsible for managing trust fund(s)/assets. We exclude transactions related to these trusts from the Accounting Statement. In our capacity as trustee, we have discharged our responsibility in relation to the accountability for the fund(s) including financial reporting and, if required, independent examination or audit.	Yes	No	N/A X	Has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.
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Council approval and certification

The Council is responsible for the preparation of the accounting statements and the annual governance statement in accordance with the requirements of the Public Audit (Wales) Act 2004 (the Act) and the Accounts and Audit (Wales) Regulations 2014.

Certification by the RFO I certify that the accounting statements contained in this Annual Return present fairly the financial position of the Council, and its income and expenditure, or properly present receipts and payments, as the case may be, for the year ended 31 March 2025.	Approval by the Council I confirm that these accounting statements and Annual Governance Statement were approved by the Council under minute reference:
	Minute ref:
RFO signature:	Chair signature:
Name: Tracey Price	Name:
Date:	Date:

* Please include an explanation for any 'No' answers

Annual internal audit report to:

Name of body: **Presteigne and Norton Town Council**

The Council's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ending 31 March 2025.

The internal audit has been carried out in accordance with the Council's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Council.

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
1. Appropriate books of account have been properly kept throughout the year.	✓				
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	✓				
3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓				
4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.	✓				
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	✓				
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.			✓		
7. Salaries to employees and allowances to members were paid in accordance with contracts/ minuted approvals, and PAYE and NI requirements were properly applied.	✓				
8. Asset and investment registers were complete, accurate, and properly maintained.	✓				

* Please include an explanation for any 'No' answers

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
9. Periodic and year-end bank account reconciliations were properly carried out.	✓				
10. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with the cashbook, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors were properly recorded.	✓				
11. Trust funds (including charitable trusts). The Council has met its responsibilities as a trustee.			✓		

For any risk areas identified by the Council (list any other risk areas below or on separate sheets if needed) adequate controls existed:

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
12.					
13.					
14.					

* If the response is 'no', please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

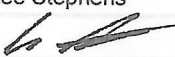
** If the response is 'not covered', please state when the most recent internal audit work was done in this area and when it is next planned, or if coverage is not required, internal audit must explain why not.

[My detailed findings and recommendations which I draw to the attention of the Council are included in my detailed report to the Council dated 29.04.2025.] * Delete if no report prepared.

Internal audit confirmation

I/we confirm that as the Council's internal auditor, I/we have not been involved in a management or administrative role within the body (including preparation of the accounts) or as a member of the body during the financial years 2024-25 and 2025-26. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit: Mr. Lee Stephens

Signature of person who carried out the internal audit: 

Date: 28/4/2025

* Please include an explanation for any 'No' answers

Council Audit Plan 2024/25
Presteigne and Norton Town Council

1. Check the books of account have been properly kept throughout the year
2. Check payments to ensure that the Council's financial regulations have been met, payments are supported by invoices, expenditure is approved and VAT is correctly accounted for.
3. Review the Council's risk management assessment ensuring adequate arrangements are in place to manage all identified risks
4. Verify that the annual precept request is the result of a proper budgetary process, that budget process has been regularly monitored and that the Council's reserves are appropriate.
5. Check income records ensuring that the correct price has been charged, income has been received, recorded & promptly banked, & VAT is correctly accounted for
6. Review petty cash records to ensure that payments are supported by receipts, expenditure is approved & VAT is correctly accounted for
7. Check salaries to employees have been paid in accordance with Council approvals and that PAYE requirements have been applied
8. Check accuracy of asset and investment registers
9. Test accuracy and timeliness of periodic and year end bank account reconciliation
10. Test accuracy and completeness of year end financial statements.
11. Review and assess the Councils internet banking payment arrangements.
12. Any other appropriate additional relevant testing to support the validity and integrity of the above.

Internal Audit - Question/action list PRESTEIGNE AND NORTON TOWN COUNCIL			
1		Appropriate books of account properly kept throughout the year?	✓
2	a	Appointed responsible financial officer with duties listed in Financial Regs or elsewhere?	✓
	b	Fin Regs. in place & regularly reviewed?	✓
	c	Standing Orders in place & regularly reviewed?	✓
	d	Delegated Powers on expenditure in place & adhered to?	✓
	e	Payments supported by invoices?	✓
	f	Expenditure properly approved?	✓
	g	VAT shown separately? Is there any thing unusual in the reconciliation? Has a VAT refund been requested recently, if not is the VAT paid since the last refund at a level that is sensible to request a refund?	✓
3	a	Have the risks been listed and a start been made on assessment and minimisation of risk?	✓
	b	Is there sufficient management of risk?	✓
	c	Insurance in order and the correct things covered?	✓
	d	Members check the accounts OR internal audit at least twice a year	✓

		and report back to council?.	
	e	Are balances invested in the best safe account?	✓
	f	Initialled cheque stubs?	N/A
	g	Regular internal audit?	✓
	h	Minute showing appointment of internal auditor?	✓
4	a	Council budgeted in a clear and adequate way?	✓
	b	Checks in place to ensure correct precept has been received?	✓
	c	Clerk or RFO report to council regularly to give progress reports on expenditure verses budget?	✓
	d	Reserves/balances appropriate? Is/are there specific project(s) for balances in excess of the annual precept?	✓
5	a	Was income received/expected? Did income equal expected income? If not why not?	✓
	b	System of receipt of income ensures that it is properly recorded and promptly banked?	✓
	c	VAT on income properly accounted for?	✓
6	a	Adequate check on petty cash?	N/A
	b	Payments properly supported by receipts/invoices?	N/A
	c	Expenditure approved?	N/A
	d	VAT properly accounted for? Reclaimed on petty cash?	N/A
7	a	Clear minute and contract which details the employees' pay and conditions	✓
	b	Employee(s) paid by/to those decisions?	✓
	c	PAYE and NI payments been made (if required) or written contact been made with the Inland Revenue giving details of taxable income?	✓
	d	Staff pension/gratuity? Minuted? Held in reserves? HMRC approval for service to 5 April 2006?	✓
8	a	Asset & investment registers?	✓
	b	Complete?	✓
	c	Accurate?	✓
	d	Maintained?	✓
	e	Checked/modified at least yearly eg. at annual council meeting?	✓
9	a	Cash book up to date, correctly sub-totalled and accounts reconciled at least once per quarter?	✓
	b	Clear record of the end of year statement?	✓
10	a	Accounts prepared on correct basis?	✓
	b	Agree with the cash book?	✓
	c	Supported by an adequate audit trail	✓
	d	A record of debtors and creditors?	✓
	e	Clear separate list of S137 payments	✓
	f	Year end accounts clear and accurate?	✓
	g	All account balances shown?	✓
	h	Correct supporting statements?	✓
11	a	Other risks been covered adequately?	✓
	b	Data Protection Registration held if needed & current/appropriate?	✓
	c	Electronic data backup arrangements adequate?	✓
12	a	Review Internet Banking payment arrangements	✓

I confirm that I have carried out the internal audit for Presteigne and Norton Town Council and I have no issues to raise/have issues to raise as attached (delete as appropriate).

Signed L. Stephens L. Stephens, Internal Auditor

Date 23/4/25

LRS Auditing

29 April 2025

Tracey Price
Presteigne & Norton Town Council Clerk,

Dear Mrs Price,

This is to verify the findings of the Internal Audit of Presteigne & Norton Town Council for the year April 2024 to April 2025.

Mrs Price has maintained appropriate accounts in an organised manner with a clear and thorough audit trail. Payments were verified through bank statements, the cheque books and invoices.

Salaries have been paid in accordance with Financial Regulations.

VAT has been claimed for appropriately.

The Council budget has been appropriately monitored and maintained throughout the year. The annual precept has been planned for and any significant variances have been noted.

Please note that Mrs Price has provided very organised accounts and additional information to support the internal audit.

I have enclosed the invoice for my work completed. If you have any questions regarding my audit, please don't hesitate to contact me.

Yours sincerely,

Lee Stephens

Internal Auditor

LRS Auditing

9 Glandwr, Newtown, Powys SY16 3GD

07528 163275

Lee.stephens83@gmail.com

EXPLANATION OF SIGNIFICANT VARIANCES 2024-25						
PRESTEIGNE AND NORTON TOWN COUNCIL						
Line in Section 1	2024	2025	Variance	% Variance variance divided by 2024 figure x 100	Explanation Req.	
Line 3 - Other Receipts	71,767	86,716	14949	20.83	YES - ATTACHED	
Line 4 - Staff Costs	28,345	29,379	1034	3.65		
Line 5 Loan etc	nil	nil	0	0.00		
Line 6 - Other Payments	97,009	98,738	1729	1.78		
Line 8 Debtors/Stock	nil	nil	0	0.00		
Line 9 - Total Cash/Investments	120,639	154,990	34351	28.47	YES - ATTACHED	
Line 10 - Creditors	nil	nil	0	0.00		
Line 12 - Assets	434,724	438,478	3754	0.86		
Line 13 - Borrowing	nil	nil	0	0.00		

Significant Variances – 2024-25 Presteigne and Norton Town Council

Two sheets required.

Line 3 – Other Receipts	£
Figure in This Year column	86,716
Figure in Last Year column	71,767
Variance (This Year figure less Last Year figure) A positive figure is an increase, a negative figure is a decrease	14,949

Reasons (as many as are applicable)	Amount £
Reason 1 – Extra Lottery Grant in 2024-25	20,000
Unexplained	-5051
Confirm unexplained amount is less than 15% of Last Year figure	YES

Significant Variances – 2024-25 Presteigne and Norton Town Council

Line 9 – Total Cash/Investments	£
Figure in This Year column	154,990
Figure in Last Year column	120,639
Variance (This Year figure less Last Year figure) A positive figure is an increase, a negative figure is a decrease	34,351

Reasons (as many as are applicable)	Amount £
Reason 1 – Lottery Grant received March 2025 but not yet spent	20,000
Reason 2 – Allocated reserves for MUGA etc. Major works etc budgeted for each year and set aside.	2125
Reason 3 – Underspend on grass verge cutting/street cleaning as did not go ahead.	1250
Reason 4 – Christmas Lights – budgeted towards new lights and not yet spent.	775
Reason 5 – Investment of some of reserves into high interest accounts over year.	2300
Reason 6 – Underspend in small grants budget.	500
Reason 7 – Underspend on public toilets	600
Unexplained	6801
Confirm unexplained amount is less than 15% of Last Year figure	YES