



**ISSUES ARISING REPORT FOR  
Cornelly Community Council  
Audit for the year ended 31 March 2017**

## Introduction

The following matters have been raised to draw items to the attention of Cornelly Community Council. These matters came to the attention of BDO LLP during the audit of the annual return for the year ended 31 March 2017.

The audit of the annual return may not disclose all shortcomings of the systems as some matters may not have come to the attention of the auditor. For this reason, the matters raised may not be the only ones that exist.

The matters listed below are explained in further detail on the page(s) that follow;

- Approval of the annual return
  - Bank reconciliation
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The following issue(s) have been raised as there are minor errors on the annual return which we wish to draw to the attention of the body so they do not occur again in future years.

**Bank reconciliation**

*What is the issue?*

The bank reconciliation includes a VAT refund of £7,020 which had not been received by the year end.

*Why has this issue been raised?*

As the Council is preparing its accounts on the receipts and payments basis no adjustment to the bank should be made for any VAT claims made but not received.

*What do we recommend you do?*

In future VAT refunds claimed but not paid should not be included as an adjustment to the bank reconciliation.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability for Local Councils in Wales, A Practitioners' Guide - OVW/SLCC

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The following issue(s) have been raised to assist the body. The body is recommended to take action on the following issue(s) to ensure that the body acts within its statutory and regulatory framework.

**Approval of the annual return**

*What is the issue?*

The council have not entered the minute reference and date for the approval of the accounting statements and annual governance statement.

The council have confirmed that the minute reference and date of approval was 9, 17 May 2017.

*Why has this issue been raised?*

The annual return has not been fully completed in accordance with requirements.

*What do we recommend you do?*

The council must ensure that all relevant boxes are fully complete before submitting the annual return for audit.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability for Local Councils in Wales, A Practitioners' Guide - OYW/SLCC

**No other matters came to our attention.**

For and on behalf of  
BDO LLP

Date: 13 December 2017

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