

## Council contact details and other core information

### Language preference

Please indicate the language preference for the Council. We will use this as a basis for our communications with you related to the audit.

English	Welsh	Bilingual
YES		

### Contact details

Please provide the following contact details for the Council.

	Current details
Clerk's name	William Stephen Lewis
Clerk's address <sup>1</sup>	Magor with Undy Town Council Council office 3, Salisbury House Magor Square Caldicot NP26 3HY
Clerk's contact telephone	01633 882842
Clerk's email address	admin@office.magorundy.org.uk
Council website	www.magorundy.org.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:	YES
• Rialtas	
• Sage	
• Scribe	
• Xero	
• Other (Please specify)	

<sup>1</sup> 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.

# Annual Return for the Year Ended 31 March 2026

## Accounting statement 2025-26 for:

Name of body:

	Year ending		Notes and guidance
	31 March 2025 (£)	31 March 2026 (£)	
<b>Statement of income and expenditure/receipts and payments</b>			
1. Balances brought forward	505,319	574,622	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	336,100	350,000	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	36,071	26,932	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	85,078	95,625	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	10,361	10,831	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	206,328	317,016	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	574,103	528,082	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).
<b>Statement of balances0</b>			
8. (+) Debtors	8,721	12,878	<b>Income and expenditure accounts only:</b> Enter the value of debts owed to the body at the year-end.
9. (+) Total cash and investments	574,103	523,208	<b>All accounts:</b> 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	8,202	8,004	<b>Income and expenditure accounts only:</b> Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	574,622	528,082	<b>Total balances should equal line 7 above:</b> Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	330,394	383,779	The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing	159,793.32	156,111.70	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

## 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	36,071	26,932	-9,139	25.34%	YES
Line 4 Staff costs	85,	95,625	+9,917	11.57%	NO
Line 5 Loan interest/ capital repayments	10,361	10,831	-	-	NO
Line 6 Total other payments	206,328	317,016	+110,688	53.65%	YES
Line 8 Debtors and stock balances	8,721	12,878	+4,157	47.67%	YES
Line 10 Creditors	8,202	8,004	-198	2.41%	NO
Line 12 Total fixed assets and long term assets	330,394	383,779	53,385	16.16%	YES
Line 13 Total borrowing	159,793.32	156,111.70	3,681.62	2.30%	NO

## Suggested layout for explanations

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

Line 3 - Total other receipts	<b>£</b>
Figure in This Year column	26,932
Figure in Last Year column	36,071
Variance (This Year figure less Last Year figure) A positive figure is an increase, a negative figure is a decrease	(9,139)

<b>Reasons (as many as are applicable)</b>	<b>Amount £</b>
Grants and donations received – 2024/2025 included £11,169 allotment improvement grant from the LA.	(11,169)
Allotment rent – plot rental has increased in line with Council decision and in addition more plots now available to residents after work to restore them and make usable	1,221
Other income – £1,656 CCLA PSDF interest miscoding should have been reported against 1090-100. Interest increased on previous year as fund opened partway through 2024/2025 (ie. July 2024 and so did not represent a full year of investment income. The £530 received in 2024/2025 was a return of a Patient's Voice grant refund.	1,126
Remainder of variance – mainly due to reduction in MUGA (Multi Use Games Area) income.	(317)
Unexplained	
Confirm unexplained amount is less than 15% of Last Year figure	

Line 6 - Total other payments	<b>£</b>
Figure in This Year column	317,016
Figure in Last Year column	206,328
Variance (This Year figure less Last Year figure) A positive figure is an increase, a negative figure is a decrease	110,688

<b>Reasons (as many as are applicable)</b>	<b>Amount £</b>
Equipment – Undy Play Park refurbishment in 2025/2026. Project started and completed within the 2025/2026 financial year.	105,220
Grants and donations – youth provision and CAB now separately budgeted for.	(37,350)
Youth provision – now has its own reporting code. 2024/2025 was reported within Grants and Donations (see below)	18,751
Office accommodation – Utilities and Rates now separately budgeted (see below) plus 2025/2026 includes move of Council office to new location	(12,586)
Noticeboards – project to renew and replace 7 noticeboards within the community commenced and completed in the 2025/2026 financial year	11,744
Plants and planters – 2025/2026 includes provision of the service for both years and is therefore an artificially inflated figure. 2024/2025 costs reported within the 2025/2026 budget year due to late invoicing following the death of the supplier in 2024/2025.	10,507

MUGA Refurbishment - clearance of site and foundation work in readiness for the delivery of the new portacabin in the 2026/2027 financial year. Isolation of services (water etc)	7,895
Town improvement & placemaking – Placemaking plan consultancy fees paid in 2024/2025 (£6,250) in addition kissing gate maintenance in 2024/2025	(7,147)
Utilities – previously reported within office accommodation budget (2024/2025)	4,353
St David's Day – cultural events hosted in 2025/2026 throughout the community, and at various venues, for the first time	3,938
Rates – previously reported within office accommodation budget (2024/2025)	3,813
Citizen's Advice Bureau – previously reported within grants and donations budget, now has own reporting code (see above)	3,000
Other – various other smaller variances accounting for < 0.01% of last year figure	(1,450)
Unexplained	
Confirm unexplained amount is less than 15% of Last Year figure	

Line 8 - Debtors and stock balances	<b>£</b>
Figure in This Year column	12,878
Figure in Last Year column	8,721
Variance (This Year figure less Last Year figure) A positive figure is an increase, a negative figure is a decrease	4,157

<b>Reasons (as many as are applicable)</b>	<b>Amount £</b>
VAT – increased VAT debtor due at year-end	3,200
Prepayments – release of 2024/2025 web hosting prepayment (258) & prepayment of 2026/2027 One Voice Wales membership £1,215	957
Unexplained	
Confirm unexplained amount is less than 15% of Last Year figure	

Line 12 - Total fixed assets and long term assets	<b>£</b>
Figure in This Year column	383,779
Figure in Last Year column	330,394
Variance (This Year figure less Last Year figure) A positive figure is an increase, a negative figure is a decrease	53,385

<b>Reasons (as many as are applicable)</b>	<b>Amount £</b>
Undy Play Park upgrade and purchase of new Play equipment and safety surfacing.	57,927
8 existing Council Noticeboards were removed and replaced by 7 new notice boards including groundwork, which also required relocating 3 of the 7 noticeboards	8,757
Removal of unserviceable assets and transfer of items valued below £250 "inventory" listing rather than within fixed assets as a result of internal audit observation	25,564.20
Unexplained	
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. Monetary values **must** be attached to each explanation. 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,

## 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, that for the year ended 31 March 2026:

	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.			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.			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].			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.			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.			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"> <li>• Effective financial management including the setting and monitoring of the Council's budget and preparation and approval of the annual accounts</li> <li>• Maintenance and security of accurate and up to date accounting and other financial records</li> <li>• Identifying potential liabilities, commitments, events and transactions that may have a financial impact on the Council.</li> </ul>			Calculated its budget requirement in accordance with the law and properly monitors its financial position throughout the year and has prepared and approved its accounts in accordance with legislation	D
7. We have maintained an adequate system of internal control and management of risk, including: <ul style="list-style-type: none"> <li>• measures designed to prevent and detect fraud and corruption including clearly documented procedures for authorising and making payments</li> <li>• assessment and management of risks facing the Council</li> <li>• an adequate and effective system of internal audit and reviewed the effectiveness of these arrangements.</li> </ul>			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.			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.			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

\* Please include an explanation for any 'No' answers

**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

Meets the eligibility criteria to exercise the general Power of Competence

E

## 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 2025-26 was £11.10 per elector.

In 2025-26, the Council made payments totalling £1,490 under section 137. These payments are included within 'Other payments' in the Accounting Statement.

2.

## 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.

## 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.

\* Please include an explanation for any 'No' answers

<p><b>Certification by the RFO</b></p> <p>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 2026.</p>	<p><b>Approval by the Council</b></p> <p>I confirm that these accounting statements and Annual Governance Statement were approved by the Council under minute reference:</p>
<p><b>RFO signature:</b></p>	<p><b>Minute ref:</b></p>
<p><b>Name:</b></p>	<p><b>Chair signature:</b></p>
<p><b>Date:</b></p>	<p><b>Name:</b></p>
	<p><b>Date:</b></p>

\* Please include an explanation for any 'No' answers

## Annual internal audit report to:

Name of body:

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 2026.

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 \_\_\_\_\_.] \* 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 2025-25 and 2026-26. I also confirm that there are no conflicts of interest surrounding my appointment.

<b>Name of person who carried out the internal audit:</b>
<b>Signature of person who carried out the internal audit:</b>
<b>Date:</b>

\* Please include an explanation for any 'No' answers

## Annual internal audit report to:

Name of body: **Magor with Undy 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 2026.

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.	Yes				
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	Yes				
3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes				
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.	Yes				
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	Yes				
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.			N/A		
7. Salaries to employees and allowances to members were paid in accordance with contracts/ minuted approvals, and PAYE and NI requirements were properly applied.	Yes				
8. Asset and investment registers were complete, accurate, and properly maintained.	Yes				

	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.	Yes				
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.	Yes				
11. Trust funds (including charitable trusts). The Council has met its responsibilities as a trustee.			N/A		

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 22nd May 2026.] \* 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 2025-25 and 2026-26. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit: Kevin Rose ACMA – IAC Audit and Consultancy Ltd

Signature of person who carried out the internal audit: 

Date: 22<sup>nd</sup> May 2026

## BANK RECONCILIATION – CURRENT A/C

COUNCIL NAME: MAGOR WITH UNDY TOWN COUNCIL

COUNTY : MONMOUTHSHIRE

	<b>CURRENT ACCOUNT</b>	<b>£</b>
<b>A</b>	Balance on the bank statement at 31 March (taken from bank statement)	<b>8,377.90</b>
	<b>Outstanding items</b>	
<b>B</b>	<b>Less</b> unpresented cheques (List each outstanding cheque)	<b>0.00</b>
<b>C</b>	<b>Plus</b> uncleared payments into bank (to agree with attached list)	<b>0.00</b>
<b>D</b>	<b>Petty cash</b> <b>Plus</b> any petty cash balance held at 31 March	<b>0.00</b>
<b>E</b>	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 )	<b>8,377.90</b>

## BANK RECONCILIATION – DEPOSIT A/C

COUNCIL NAME: MAGOR WITH UNDY TOWN COUNCIL

COUNTY : MONMOUTHSHIRE

	<b>DEPOSIT/SAVINGS ACCOUNT</b>	<b>£</b>
<b>A</b>	Balance on the bank statement at 31 March (taken from bank statement)	<b>30,788.30</b>
<b>Outstanding items</b>		
<b>B</b>	<b>Less</b> unpresented cheques (List each outstanding cheque)	<b>0.00</b>
<b>C</b>	<b>Plus</b> uncleared payments into bank (to agree with attached list)	<b>0.00</b>
<b>D</b>	<b>Petty cash</b> <b>Plus</b> any petty cash balance held at 31 March	<b>0.00</b>
<b>E</b>	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 )	<b>30,788.30</b>

## **BANK RECONCILIATION – CCLA/PSDF Investment Account**

COUNCIL NAME: MAGOR WITH UNDY TOWN COUNCIL

COUNTY : MONMOUTHSHIRE

	<b>CCLA/PSDF INVESTMENT ACCOUNT</b>	<b>£</b>
<b>A</b>	Balance on the bank statement at 31 March (taken from bank statement)	<b>484,041.84</b>
	<b>Outstanding items</b>	
<b>B</b>	<b>Less</b> unpresented cheques (List each outstanding cheque)	<b>0.00</b>
<b>C</b>	<b>Plus</b> uncleared payments into bank (to agree with attached list)	<b>0.00</b>
<b>D</b>	<b>Petty cash</b> <b>Plus</b> any petty cash balance held at 31 March	<b>0.00</b>
<b>E</b>	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 )	<b>484,041.84</b>

## **BANK RECONCILIATION – SUMMARY**

**(Current Acc + Savings/Deposit Acc + CCLA/PSDF Investment Account)**

	<b>Current + Deposit + CCLA/PSDF Investment Acc</b>	<b>£</b>
<b>A</b>	Balance on the bank statement at 31 March (taken from bank statements)	<b>523,208.04</b>
<b>Outstanding items</b>		
<b>B</b>	<b>Less</b> unpresented cheques (List each outstanding cheque)	<b>0.00</b>
<b>C</b>	<b>Plus</b> uncleared payments into bank (to agree with attached list)	<b>0.00</b>
<b>D</b>	<b>Petty cash</b> <b>Plus</b> any petty cash balance held at 31 March	<b>0.00</b>
<b>E</b>	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 )	<b>523,208.04</b>