

# Auditor General for Wales' Audit Certificate and report

I report in respect of my audit of the accounts under section 13 of the Act, whether any matters that come to my attention give cause for concern that relevant legislation and regulatory requirements have not been met. My audit has been conducted in accordance with guidance issued by the Auditor General for Wales.

I certify that I have completed the audit of the Annual Return for the year ended 31 March 2021 of:

Dwyrw Community Council

## Auditor General's report

### Audit opinion - Qualified

Except for the matters reported below in my Basis of Qualification, on the basis of my review, in my opinion no matters have come to my attention giving cause for concern that in any material respect, the information reported in this Annual Return:

- has not been prepared in accordance with proper practices;
- that relevant legislation and regulatory requirements have not been met;
- is not consistent with the Council's/Committee's governance arrangements; and
- that the Council/Committee does not have proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

### Basis of Qualification

In the Annual Governance Statement, the Council asserts that it has taken all reasonable steps to assure itself that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the Authority to conduct its business or on its finances.

The Council does not operate PAYE as it is required to do under the Income Tax (Earnings and Pensions) Act 2003. Failure to operate PAYE exposes the Council to the risk of fines and/or penalty charges being imposed by HM Revenue and Customs.

### Other matters arising and recommendations

I draw the body's attention to the HMRC Employment Manual at <https://www.gov.uk/hmrc-internal-manuals/employment-income-manual/eim67300>. This explains the tax position for community council clerks. On this basis the Council is required to operate PAYE.

- We recommend that the Council establishes appropriate PAYE arrangements regarding the Clerk's salary.



Richard Harries, Director, Audit Wales  
For and on behalf of the Auditor General for Wales

Date: 26/09/2022