

Cyllid / Finance

Pennaeth Cyllid / Head of Finance: Dewi Morgan



Gofynnwch am/Ask for: Dewi Morgan

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Ein Cyf / Our Ref: DAM/BME

Eich Cyf / Your Ref:

29/09/2026

Auditor General for Wales

Wales Audit Office

1 Capital Quarter

Cardiff

CF10 4BZ

Representations regarding the 2025-26 financial statements

This letter is provided in connection with your audit of the financial statements of Cyngor Gwynedd for the year ended 31 March 2026 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26; in particular the financial statements give a true and fair view in accordance therewith;
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to staff from whom you determined it necessary to obtain audit evidence;

- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- our knowledge of fraud or suspected fraud that we are aware of and that affects Cyngor Gwynedd and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements; and
- the identity of all related parties and all the related party relationships and transactions of which we are aware.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. A summary of these items is set out below:

- New building work with a value of £2.5m was incorrectly categorised as additions to Land and Buildings rather than Assets Under Construction. As a result, the demolition work relating to the existing building on the site was not treated as impairment worth a value of £0.3m. Land and Buildings was therefore overstated by £2.8m. As the misstatement is not material, we have not actioned this amendment. The status of this building will be addressed in the 2026-27 accounts, where it is likely to be operational by the end of the year and requiring revaluation.
- Seven other buildings that were under construction were also categorised as operational Land and Buildings with a net value of £0.75m. The status of these buildings will also be addressed in the 2026-27 accounts, but as the misstatement is not material, we have not actioned this amendment.
- Several individually trivial errors in relation to indexation on 31 March 2026 were identified. This included assets which were omitted from the indexation process and unsuitable indices being applied to certain assets which also resulted in some assets being excluded from the revaluation process. In total, these errors amount to £0.385m which exceeds the trivial threshold. This process was a new requirement from CIPFA for the 2025/26 accounts and the indexation process will be reviewed and the status of these buildings will be addressed for the 2026-27 accounts. As the misstatement is not material, we have not actioned this amendment.
- A creditor with a value of £0.349m in relation to Capital works was accrued at year end despite the work not being completed by 31 March 2026. This treatment arose from specific processes in relation to grant claims and also resulted in £0.349m being recognised as additions in Land and Buildings. The correct accounting treatment for the year end accruals process is set out as part of annual instructions issued to Council staff. Additional emphasis will be placed on this requirement for the 2026/27 accounts with particular reference to the requirements in relation to the submission of grant claims. As the misstatement is not material, we have not actioned this amendment.

Representations by the Governance and Audit Committee

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Governance and Audit Committee on 29 September 2026.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:



Dewi Aeron Morgan
Head of Finance

29 September 2026

Signed by:

Chair of the Governance
and Audit Committee

29 September 2026