

Annual Governance and Accountability Return 2018/19 Part 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2018/19

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Part 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with Proper Practices.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
 - The **annual internal audit report** is completed by the authority's internal auditor.
 - **Sections 1 and 2** are to be completed and approved by the authority.
 - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published **before 1 July 2019**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both):
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2019
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2018/19

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the review and is able to give an opinion on the limited assurance review, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on a publicly accessible website:

Before 1 July 2019 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2018/19**, approved and signed, page 4
- **Section 2 - Accounting Statements 2018/19**, approved and signed, page 5

Not later than 30 September 2019 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 & 2 of AGAR** including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2018/19

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this Annual Governance and Accountability Return. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the Annual Governance and Accountability Return is complete (i.e. no empty highlighted boxes), and is properly signed and dated. Where amendments are made by the authority to the AGAR after it has been approved by the authority and before it has been reviewed by the external auditor, the Chairman and RFO should initial the amendments and if necessary republish the amended AGAR and recommence the period for the exercise of public rights. If the Annual Governance and Accountability Return contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- The authority **should** receive and note the annual internal audit report if possible prior to approving the annual governance statement and before approving the accounts.
- Use the checklist provided below to review the Annual Governance and Accountability Return for completeness before returning it to the external auditor by email or post (not both).
- Do not send the external auditor any information not specifically requested. However, you **must** inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, and provide relevant email addresses and telephone numbers.
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the Annual Governance and Accountability Return covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (Section 2, page 5). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on page 5. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2018) equals the balance brought forward in the current year (Box 1 of 2019).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the period for the exercise of public rights. From the commencement date for a single period of 30 consecutive working days, the approved accounts and accounting records can be inspected. Whatever period the RFO sets it **must** include a common inspection period – during which the accounts and accounting records of all smaller authorities must be available for public inspection – of the first ten working days of July.
- The authority **must** publish the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2019**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?		
	Has all additional information requested, including the dates set for the period for the exercise of public rights, been provided for the external auditor?		
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?		
Section 1	For any statement to which the response is 'no', is an explanation provided?		
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?		
	Has an explanation of significant variations from last year to this year been provided?		
	Has the bank reconciliation as at 31 March 2019 been reconciled to Box 8?		
	Has an explanation of any difference between Box 7 and Box 8 been provided?		
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested.		

* *Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices*, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk

Annual Internal Audit Report 2018/19

Weston super Mare Town Council

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation during the financial year ended 31 March 2019.

The internal audit for 2018/19 has been carried out in accordance with this authority'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 alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. IF the authority certified itself as exempt from a limited assurance review in 2017/18, it met the exemption criteria and correctly declared itself exempt. (<i>Not Covered</i> should only be ticked where the authority had a limited assurance review of its 2017/18 AGAR)	Not applicable	Not exempt	
L. During summer 2018 this authority has correctly provided the proper opportunity for the exercise of public rights in accordance with the requirements of the Accounts and Audit Regulations.			Not applicable ✓
M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable ✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

17+18/10/18, 24/1/19, 11/4/19, 31/05/19
N. J. Archer

NIGEL ARCHER for AUDITING SOLUTIONS Ltd
Date 31/05/19

Signature of person who carried out the internal audit

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

**Note: 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, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2018/19

We acknowledge as the members of:

Weston super Mare Town Council

our responsibility for ensuring that there is a sound system of internal control, including arrangements for 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 2019, that:

	Agreed		‘Yes’ means that this authority
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.			<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.			<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.			<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors’ rights in accordance with the requirements of the Accounts and Audit Regulations.			<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority’s accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.			<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.			<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.			<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.			<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
			<i>has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>

*Please provide explanations to the external auditor on a separate sheet for each ‘No’ response and describe how the authority will address the weaknesses identified. These sheets should be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

and recorded as minute reference:

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

Clerk

Other information required by the Transparency Codes (not part of Annual Governance Statement)

Authority web address

<https://www.wsm-tc.gov.uk/>

Section 2 – Accounting Statements 2018/19 for

Weston super Mare Town Council

	Year ending		Notes and guidance
	31 March 2018 £	31 March 2019 £	
1. Balances brought forward	944,481	675,080	Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records. Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	1,685,637	1,907,597	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	421,026	396,841	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	737,981	829,843	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.
5. (-) Loan interest/capital repayments	40,150	39,514	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	1,597,932	1,459,133	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	675,081	651,028	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	671,639	624,437	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	2,847,208	2,964,538	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	375,951	354,477	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets. N.B. The figures in the accounting statements above do not include any Trust transactions.
		✓	

I certify that for the year ended 31 March 2019 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

I confirm that these Accounting Statements were approved by this authority on this date:

as recorded in minute reference:

Signed by Chairman of the meeting where the Accounting Statements were approved

Date

Section 3 – External Auditor Report and Certificate 2018/19

In respect of

Weston super Mare Town Council

1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2019; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

2 External auditor report 2018/19

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

3 External auditor certificate 2018/19

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2019.

*We do not certify completion because:

External Auditor Name

External Auditor Signature

Date

*Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

q-d

Weston-super-Mare Town Council

Statement of Accounts

(Not Subject to Audit)

31st March 2019

q.d

Weston-super-Mare Town Council

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31st March 2019

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**Weston-super-Mare Town Council
2018 / 2019
Council Information**

Councillors

Cllr Raymond Armstrong
Cllr Roger Bailey
Cllr Mark Canniford
Cllr James Clayton
Cllr Robert Cleland
Cllr Sarah Codling
Cllr Peter Crew
Cllr John Crockford-Hawley
Cllr Clive Darke
Cllr James Davies
Cllr Peter Fox
Cllr Catherine Gibbons
Cllr David Hitchins
Cllr Jos Holder
Cllr Jan Holloway
Cllr Steven Kane
Cllr Michal Kus
Cllr Michael Lyall
Cllr Derek Mead
Cllr Richard Nightingale
Cllr Frederick Parsons
Cllr Robert Payne
Cllr Alan Peak
Cllr Lisa Pilgrim
Cllr Ian Porter
Cllr Leonard Purnell
Cllr Anita Spencer-Johns
Cllr Richard Tucker
Cllr Clive Webb
Cllr Martin Williams
Cllr Roz Willis

Clerk to the Council

M L Nicholson

Auditors (of the Annual Return)

PKF Littlejohn LLP

Weston-super-Mare Town Council

Introduction to Accounting Statements

For the Year Ended 31 March 2019

The Accounts and Audit Regulations 2015 define the Council as a smaller authority, it therefore prepares its accounts in accordance with 'Governance and Accountability for Smaller Authorities in England'.

These regulations allow the Council to adopt the Limited Assurance Audit Regime, the principal advantage being a considerable saving in audit fees and a less arduous audit regime.

The Council's statutory accounts are now produced in the form of the Annual Governance and Accountability Return (AGAR). The Statement of Accounts, which is not subject to audit, provides background workings and explanations of the figures declared in the AGAR.

The following items are included:

The Income and Expenditure Account (Unaudited)

This document shows the income generated and the total expenditure on the services provided by the Council for the year. This document now includes capital expenditure and the capital element of loan repayments.

The Income and Expenditure Account Reconciliation (Unaudited)

This document reconciles the figures shown in the Income and Expenditure Account to the Annual Return.

The Balance Sheet (Unaudited)

This sets out the financial position of the Council on 31 March 2019. It shows the value of its assets, the value of its cash and bank values, how much it is owed and how much it owes, and the balance of reserves at its disposal.

Notes to the Accounts

These provide further information on the amounts included in the financial statements.

Budget Comparison for the year ended 31 March 2019

The Council's policy is to estimate the total expenditure for the year, which may contain capital expenditure not financed via the precept. Any such expenditure of this type is included within the actual revenue expenditure for the year.

The budget out-turn is summarised below :

	<u>Net Expenditure</u>	<u>Net Budget</u>	<u>Variance</u>
DIRECT SERVICES TO THE PUBLIC			
Community and Public Services	(463,613)	(485,801)	22,187
Cultural and Heritage Services	(577,762)	(449,873)	(127,889)
Parks and Open Spaces	(287,757)	(262,992)	(24,765)
Cemetery Services	(136,219)	(148,041)	11,822
Highways and Planning Services	(165,262)	(180,347)	15,085
Capital projects	(110,270)	(120,000)	9,730
DEMOCRATIC, CIVIC AND CENTRAL COSTS			
Civic Support Services	(80,349)	(82,709)	2,360
Democratic Costs	(139,638)	(132,610)	(7,028)
Other Costs and Income	(34,301)	(64,512)	30,211
Annual Precept	1,907,597	1,907,597	0
Precept Support Grant	63,522	63,522	-
Net Contribution (to)/from Earmarked Reserves	33,217	-	33,217
Net surplus/(deficit)	<u>9,165</u>	<u>44,234</u>	<u>(35,070)</u>

The budget overspend is due projects completed during the year which have been financed from sums earmarked in earlier years, the relevant amounts have been transferred from the Earmarked Funds.

It is the Council's policy to provide full information about its affairs. Interested members of the public have a statutory right to inspect the accounts before the audit is completed. The availability of the accounts for inspection is advertised in the press and on the Council's website.

Further information about the accounts is available from Grove House, Grove Park, Weston-super-Mare, BS23 2QJ. This is part of the Council's policy of providing full information about its affairs.

Weston-super-Mare Town Council

Income and Expenditure Account (Unaudited)

31st March 2019

<u>2018</u> £ Net Expenditure		<u>2019</u> £ Gross Expenditure	<u>2019</u> £ Income	<u>2019</u> £ Net Expenditure
DIRECT SERVICES TO THE PUBLIC				
(427,161)	Community and Public Services	(489,175)	25,562	(463,613)
(504,531)	Cultural and Heritage Services	(758,106)	180,344	(577,762)
(248,288)	Parks and Open Spaces	(336,873)	49,116	(287,757)
(122,806)	Cemetery Services	(199,365)	63,146	(136,219)
(187,700)	Highways and Planning Services	(171,444)	6,182	(165,262)
(327,371)	Capital projects	(110,270)	-	(110,270)
DEMOCRATIC, CIVIC AND CENTRAL COSTS				
(88,832)	Civic Support Services	(80,349)		(80,349)
(133,958)	Democratic Costs	(139,638)		(139,638)
(39,664)	Other Costs and Income	(43,269)	8,968	(34,301)
<hr/>		<hr/>	<hr/>	<hr/>
(2,080,310)		(2,328,490)	333,318	(1,995,172)
1,685,637	Annual Precept			1,907,597
125,273	Precept Support Grant			63,522
279,638	Net Contribution (to)/from Earmarked Reserves			33,217
<hr/>				<hr/>
10,237	Net Surplus for the year			9,165

Reserve Movements

	Balance April 2018	Movement for Year	Balance March 2019
General Fund	421,452	9,165	430,617
Capital Reserve	-		-
Earmarked Reserves	253,628	(33,217)	220,411
	<hr/>	<hr/>	<hr/>
	675,080	(24,052)	651,028
	<hr/>	<hr/>	<hr/>
	Box 1		Box 7

Weston-super-Mare Town Council

Income And Expenditure Account and Annual Return Reconciliation (Unaudited)

For the Year Ended 31 March 2019

Annual Return Box Numbers	Income			Expenditure			
	Box 2	Box 3	Total	Box 4	Box5	Box 6	Total
	Precept	Other Income		Staff Costs	Loans Repaid	Other Costs	
Direct Services							
Community and Public Services	-	25,562	25,562	123,857		365,318	489,175
Cultural and Heritage Services	-	180,344	180,344	337,597		420,508	758,106
Parks and Open Spaces	-	49,116	49,116	86,558		250,315	336,873
Cemetery Services	-	63,146	63,146	99,605		99,760	199,365
Highways and Planning Services	-	6,182	6,182	54,554		116,890	171,444
Capital projects	-	-	-			110,270	110,270
Democratic, Management and Civic							
Civic Support Services	-	-	-	35,379		44,971	80,349
Democratic Costs	-	-	-	92,293		47,345	139,638
Other Costs and Income	-	8,968	8,968		39,514	3,755	43,269
Annual Precept	1,907,597	63,522	1,971,120	-	-	-	-
Totals Carried to Annual Return	1,907,597	396,841	2,304,438	829,843	39,514	1,459,133	2,328,490

Weston-super-Mare Town Council

Balance Sheet (Unaudited)

as at 31 March 2019

<u>2018</u> £		Note	<u>2019</u> £	<u>2019</u> £
	Fixed Assets			
	Tangible fixed assets	5		
1,381,667	Land and Buildings		1,373,421	
95,617	Vehicles and Equipment		148,540	
8,625	Infrastructure Assets		5,852	
146,741	Community Assets		146,741	
<u>1,632,650</u>				<u>1,674,554</u>
	Current Assets			
83,863	Debtors	8	76,112	
9,996	Stock		6,656	
671,639	Cash at Bank and In-hand		624,437	
<u>765,498</u>			<u>707,205</u>	
	Current Liabilities			
90,418	Creditors and accrued expenses	9	56,179	
<u>90,418</u>			<u>56,179</u>	
675,080	Net Current Assets			651,026
<u>2,307,730</u>	Total Assets Less Current Liabilities			<u>2,325,580</u>
	Long Term Liabilities			
375,951	Long Term Borrowing	10		354,477
<u>1,931,779</u>				<u>1,971,103</u>
	Financed by:			
	Reserves available to the Council			
253,628	Funds Earmarked for Future Projects	11	220,411	
421,452	Capital Projects			
675,080	General Reserve		430,617	
	Reserves Not Available to Council:			651,028
	Represents the Council's Net Investment in Fixed Assets less Outstanding Loans			
1,256,699	Capital Financing Account			1,320,075
<u>1,931,779</u>				<u>1,971,103</u>

These accounts have been approved by the Council.

.....
Chair, Policy and Finance Committee

Date:

.....
Responsible Financial Officer

Date:

Weston-super-Mare Town Council

Notes to the Accounts (Unaudited)

31st March 2019

1 Interest and Investment Income

	2019	2018
	£	£
Interest Income - General Funds	3,338	3,428
	<u>3,338</u>	<u>3,428</u>

2 Audit Fees

Fees payable covering the year 2017/2018 for the services carried out by the Council's auditors, PKF Littlejohn LLP, in the year are £2,400 (2017 / 2019 PKF Littlejohn LLP £2,400).

3 Employees

The average weekly number of employees during the year was as follows:

	2019	2018
	Number	Number
Full-time and Part Time (Excluding Casual Labour)	59	59
	<u>59</u>	<u>59</u>

All staff are paid within nationally agreed pay scales

Number of employees whose remuneration excluding employers pension contributions was over £50,000 in bands of £10,000 was:

Band	2017/2018	2018/2019
£50,000 to £59,999	1	1

4 Participation in Pension Scheme

As part of the terms and conditions of employment of its officers and other employees, the Council offers retirement benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement.

The Council participates in the Local Government Pension Scheme for civilian employees, administered locally by The Avon Pension Fund

Weston-super-Mare Town Council

Notes to the Accounts (Unaudited)

31st March 2019

5 Tangible Fixed Assets

	Freehold Land and Buildings	Operational Leasehold Land & Bldgs	Vehicles and Equipment	Infrastructure/ Community Assets	Assets Under Construction	Total
Cost	£	£				£
1 April 2018	480,449	1,115,045	979,663	272,051	-	2,847,208
Additions	-	-	117,330	-	-	117,330
Disposals	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
	<u>480,449</u>	<u>1,115,045</u>	<u>1,096,993</u>	<u>272,051</u>	<u>-</u>	<u>2,964,538</u>
Depreciation						
1 April 2018	138,827	75,000	884,046	116,685	-	1,214,558
Charged for the year	8,246	-	64,407	2,773	-	75,426
Disposals	-	-	-	-	-	-
	<u>147,073</u>	<u>75,000</u>	<u>948,453</u>	<u>119,458</u>	<u>-</u>	<u>1,289,984</u>
Net Book Value						
As 31 March 2019	<u>333,376</u>	<u>1,040,045</u>	<u>148,540</u>	<u>152,593</u>	<u>-</u>	<u>1,674,554</u>
As 31 March 2018	<u>341,622</u>	<u>1,040,045</u>	<u>95,617</u>	<u>155,366</u>	<u>-</u>	<u>1,632,650</u>

Although classified as capital expenditure, certain minor equipment purchases are not included above as they are not material in overall value.

6 Financing of Capital Expenditure

The following capital expenditure arose during the year:

	2019 £	2018 £
Fixed Assets purchased	117,330	203,995
	<u>117,330</u>	<u>203,995</u>
was financed by:		
Heritage Lottery Fund	-	82,200
Revenue and Earmarked Reserves	117,330	121,795
	<u>117,330</u>	<u>203,995</u>

7 Operational Land and Buildings

Council Offices and Mayor's Parlour, Grove House and Lodge (Leasehold)
Milton Road Cemetery, Chapel and Outbuildings
Blakehay Theatre
Weston Museum

31st March 2019

Vehicles and Equipment

Play Equipment - 18 sites
Water Play Area
Skateparks - 2
Light Vans
Theatre Equipment
Sundry grounds maintenance equipment
Sundry office equipment

Infrastructure Assets

Bus Shelters
Other street furniture

Community Assets

Milton Road Cemetery
Millennium Green
Allotments - 5 sites
Play areas
Council Regalia and Artefacts

8 Debtors	2019	2018
	£	£
Debtors	20,672	14,461
V A T Recoverable	41,747	32,796
Other Debtors	4,690	4,690
Prepayments and Accrued income	9,003	31,916
	<u>76,112</u>	<u>83,863</u>
9 Creditors and Accrued Expenses	2019	2018
	£	£
Creditors	19,632	19,617
Retentions	-	34,560
Accruals	14,153	19,335
Receipts in Advance	22,394	16,906
	<u>56,179</u>	<u>90,418</u>

Weston-super-Mare Town Council

Notes to the Accounts (Unaudited)

31st March 2019

10 Long Term Liabilities

At the close of business on 31 March 2012, the following loans to the Council were outstanding :

	2019	2018
	£	£
Public Works Loan Board	354,477	375,951
	354,477	375,951

The Council's loans are repayable as follows :

	2019	2018
	£	£
Within one year	21,917	21,474
From one to two years	22,380	21,917
From two to five years	70,143	68,618
From five to ten years	128,406	125,332
Over ten years	111,631	138,610
Total loan commitment	354,477	375,951

11 Earmarked Reserves

	Balance	Contribution	Contribution	Balance
	1st April 2018	from Reserves	to fund	31st March
			Expenditure	2019
Grit Bins	3,150	750		3,900
Elections	17,414	8,243		25,657
Milton Road Cemetery	96	2,000	80	2,016
Blakehay	658	1,059		1,717
Museum Capital	97,719		21,570	76,149
PPM Compliance	8,975	10,879	5,255	14,599
SWHT-Gallery Cabinet	15,000		15,000	-
Armed Affiliation	3,762			3,762
Capital Projects	39,545	30,000	24,370	45,175
Old Mill Way	23,099		2,148	20,951
HLF Fundraising	-			-
Skatepark	2,291			2,291
Arts Council Grant	11,036		5,466	5,570
Parks and Play Area Refurbishment	22,800	9,000	22,800	9,000
Buy a Block Fund	1,583		1,809	226
Blakehay Live Shows	5,500		150	5,350
Tourism	1,000	3,500		4,500
	253,628	65,431	98,648	220,411

Earmarked Reserves represent sums set aside from the General Fund to finance future expenditure of either a capital or revenue nature.

31st March 2019

12 The Annual Return (Accounting Statements)

	Box	2018	2019
Balances Brought Forward	1	944,481	675,080
Annual Precept	2	1,685,637	1,907,597
Total Other Receipts	3	421,026	396,841
Staff Costs	4	(737,981)	(829,843)
Loan Interest/Capital Payments	5	(40,150)	(39,514)
All Other Payments	6	(1,597,932)	(1,459,133)
Balances Carried Forward	7	675,080	651,028
Total Cash and Short Term Investments	8	671,639	624,437
Total Fixed and Long Term Assets	9	2,847,208	2,964,538
Total Borrowings	10	375,951	354,477

Recognised Earmarked Reserves for the year 2019 / 2020

Policy & Finance Committee 17th June 2019

No	Description	Nominal Code	Balance @ 31.03.18	Added from Revenue Budget 2018 / 2019 Provision	Added from Received Income 2018 / 2019	Added from General Reserves 2018/ 2019	Returned to General Reserves	Spend in year 2018 / 2019 @ Month 12	Balance / Requirement - EMR 2019/2020
1	Armed Forces Affiliation	8001	£ 3,762	£ -	£ -	£ -	£ -	£ -	£ 3,762
2	Park & Play Area Refurb	8002	£ 22,800	£ 9,000	£ -	£ -	£ -	£ 22,800	£ 9,000
3	Election Costs	8003	£ 17,414	£ 743	£ -	£ 7,500	£ -	£ -	£ 25,657
4	Blakehay Live Shows	8004	£ 5,500	£ -	£ -	£ -	£ -	£ 150	£ 5,350
5	Skatepark	8005	£ 2,291	£ -	£ -	£ -	£ -	£ -	£ 2,291
6	Milton Road Cemetery	8008	£ 96	£ 2,000	£ -	£ -	£ -	£ 80	£ 2,016
7	Buy A Block Fund raising campaign Phase 2	8009	£ 1,583	£ -	£ -	£ -	£ -	£ 1,809	£ 226
8	Blakehay Theatre Vols Fundraising	8011	£ 658	£ -	£ 1,059	£ -	£ -	£ -	£ 1,717
9	Tourism	8012	£ 1,000	£ 3,500	£ -	£ -	£ -	£ -	£ 4,500
10	Museum Phase 2 Fund & HLF balance	8014	£ 97,719	£ -	£ -	£ -	£ -	£ 21,570	£ 76,149
11	SWHT - Gallery cabinet	8015	£ 15,000	£ -	£ -	£ -	£ 132	£ 14,868	£ -
12	Grit Bins	8017	£ 3,150	£ -	£ -	£ -	£ -	£ -	£ -
13	Capital Projects	8018	£ 39,545	£ 30,000	£ -	£ 750	£ -	£ -	£ 3,900
14	Old Mill Way Allotment (only)	8019	£ 23,099	£ -	£ -	£ -	£ -	£ 24,370	£ 45,175
15	PPM - Compliance	8020	£ 8,975	£ 10,879	£ -	£ -	£ -	£ 2,148	£ 20,951
16	Arts Council Grant (Resilience & artist awards)	8021	£ 11,037	£ -	£ -	£ -	£ -	£ 5,255	£ 14,599
								£ 5,466	£ 5,571
			£ 253,629	£ 56,122	£ 1,059	£ 8,250	£ 132	£ 98,516	£ 220,412

Members are requested to

- 1 Approve the recognised Earmarked Reserve requirements for the year 2019/2020

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Recognised estimates for Earmarked Reserves for the year End

No	Description	Nominal Code	Description of EMR	EMR 2019/ 2020 £
1	Armed Forces Affiliation	8001	expenses / events with 40 Commando - Royal Marines	<u>£ 3,762</u>
2	Park & Play Area Refurbishment	8002	ation	<u>£ 9,000</u>
3	Election Costs	8003	£	<u>£ 25,657</u>
4	Blakehay Live Shows	8004	£ 8 committed	<u>£ 5,350</u>
5	Skatepark	8005	ject works completed due June 2018	<u>£ 2,291</u>
6	Milton Road Cemetery	8008	£ burial area as donated -£16	<u>£ 2,016</u>
7	HLF Fundraising (Local / Buy a Block)	8016	£	<u>-£ 226</u>
8	Blakehay Theatre Vols Fundraising	8011	£ 2019	£ 1,059 <u>£ 1,717</u>
9	Tourism	8012	£ new website	<u>£ 4,500</u>
10	Museum Phase 2 Fund & HLF balance	8014	£ balance from original HLF grant budget 2017/2018	21149 55000 <u>76149</u>
11	SWHT - Gallery cabinet	8015	£	<u>£ -</u>
12	Grit Bins	8017	£	£ 3,150 £ 750 <u>£ 3,900</u>
13	Capital Projects	8018	£ cemetery Wall repairs if required grills (1st Year Provision)	£ 5,630 £ 9,545 £ 30,000 <u>£ 45,175</u>
14	Old Mill Way Allotment (only)	8019	£ care and Maintenance Prov	<u>£ 20,951</u>
15	PPM - Compliance	8020	£ works approved in 8/2019	<u>£ 14,599</u>
16	Arts Council Grant (Resilience & artist aw	8021	£ award Balance (Sculpture Project)	<u>£ 5,571</u>
	2018 /2019 Provision		<u>£ 2</u>	<u>£ 220,412</u>

Weston-super-Mare Town Council

Internal Audit Report 2018-19 (Final)

Prepared by Nigel Archer

*For and on behalf of
Auditing Solutions Limited*

Background and Scope

The Accounts and Audit Regulations introduced from 1st April 2001 require all Town and Parish Councils to implement an independent internal audit examination of their Accounts and accounting processes annually. The Council complied accordingly, in terms of independence from the Council decision making process, from the outset and this report sets out those areas examined during the course of our recent final visit to the Council, which took place 31st May 2019 and supplements the interim work undertaken on 17th & 18th October 2018, 24th January and 11th April 2019.

Internal Audit Approach

In completing our review for 2018-19, we have again had regard to the materiality of transactions and their susceptibility to potential misrecording or misrepresentation in the year-end Statement of Accounts and Annual Governance and Accountability Return (AGAR in short), employing a range of selective sampling techniques (or 100% substantive testing if appropriate) across a range of the Council's activities.

Overall Conclusion

We are pleased to report that no significant issues have been identified in our review for the year that warrant formal recommendation and the Deputy Clerk and her staff are to be commended for the quality of work and documentation provided for the purposes of the audit visits. We have duly signed off the Internal Audit Report at Page 3 within the AGAR, assigning positive assurances in all categories.

This report has been prepared for the sole use of Weston-super-Mare Town Council. To the fullest extent permitted by law, no responsibility or liability is accepted by Auditing Solutions Ltd to any third party who purports to use or rely on, for any reason whatsoever, this report, its content or conclusions.

Detailed Report

Review of Accounts and Accounting Arrangements

Our objective has been to ensure that the accounting records are being maintained accurately and currently and that no anomalous entries appear in cashbooks or financial ledgers, which continue to be maintained in bespoke (Omega) software with two bank accounts operated at Lloyds following the transition from NatWest, supplemented by a Reserve Saver account at Santander and CCLA deposit holdings. We have: -

- Ensured that an appropriate cost centre and nominal ledger coding structure remains in place;
- Checked and agreed the opening Trial Balance detail in the Omega software for 2018-19 to the closing Accounts and certified Annual Governance and Accountability Return for 2017-18 to ensure that all balances have been properly rolled forward;
- Checked and agreed three sample months' transactions (April & September 2018 and February 2019) on all three accounts from appropriate cashbooks to the relevant bank statements; and
- Verified that regular, monthly bank reconciliations continue to be undertaken on all accounts, noting that appropriate hard copies are retained on file, that members are regularly provided with same and that these are signed off by appropriate officers and lead members. We have checked and agreed those as at 30th April & 30th September 2018 and also 28th February & 31st March 2019 on all accounts (including the Mayor's Charity) with no matters arising worthy of note.

Conclusions

There are no matters arising in this area to warrant formal recommendation currently.

Review of Corporate Governance

Our objective here is to ensure that the Council has robust Corporate Governance documentation in place; that Council and Committee meetings are conducted in accordance with the adopted Standing Orders and that, as far as we are able to ascertain, no actions of a potentially unlawful nature have been or are being considered for implementation. We have: -

- Examined the minutes of meetings of the Full Council and its Standing Committees (except Planning) held throughout the current municipal year to end March 2019 to ensure that no issues affecting the Council's financial stability either in the short, medium or long term exist, also that no other issues are in existence whereby the Council may potentially be considering or have taken decisions that might result in ultra vires expenditure being incurred; and

- Previously noted that both Standing Orders and Financial Regulations had been reviewed and re-affirmed in prior years, including necessary revisions in accord with revised contract regulations and, subsequently, we note that the Policy & Finance Committee (in February 2019) approved the current documents with no amendments considered necessary other than minor typographical changes for date references.

Conclusions

There are no matters arising in this area to warrant formal recommendation currently.

Review of Purchasing and Payment Procedures

Our testing strategy in this section aims to ensure compliance with the following criteria to ensure that each payment is:

- Supported by a trade invoice or other appropriate form of supporting documentation;
- Supported by an official order, where appropriate;
- Supported by proper quotations and / or a formal tender process, where applicable under the terms of the Council's Financial Regulations;
- Posted accurately to the Omega software nominal ledger expenditure headings;
- Authorised as seen by members during the course of the cheque approval process and subsequently summarised for adoption by Full Council; and
- That the calculation and recording of VAT to the relevant control account for subsequent recovery has been actioned appropriately.

We have extended our testing of a sample of supplier payments made during the financial year to 28th February 2019, examining all those individually in excess of £5,000 together with a further selection of every 50th cashbook transaction, irrespective of value. Our test sample was comprised of more than 100 payments, which totalled just over £989,000 and represented 63% of all non-pay related expenditure processed to that date.

We note that VAT Returns continue to be submitted electronically as required by extant legislation and have verified the Q2 (September 2018) and Q4 (March 2019) submissions to the underlying control account balances, subject to one minor nominal ledger journal entry which was subsequently included within the 3rd quarter's return.

We also note that the necessary partial exemption computations for VAT in 2017-18 have been completed with no further action required.

Conclusions

There are no matters arising in this area to warrant formal recommendation currently.

Assessment and Management of Risk

Our aim here is to ensure that the Council has put in place appropriate arrangements to identify all potential areas of risk of both a financial and health and safety nature, whilst also ensuring that appropriate arrangements exist to monitor and manage those risks in order to minimise the opportunity for their coming to fruition. We have: -

- Previously noted that an appropriate review of the risk assessment register for all principal areas of the Council's activities was undertaken and that formal, detailed risk registers utilising the bespoke LCRS software package were adopted; this remains the case in 2018-19, with the latest "scores on the doors" being considered by the Expenditure and Governance Working Party in July 2018; and
- Noted that the Council's insurance policy was renewed with Aviva (via WPS Brokers) with effect from July 2018 and have examined the current year's policy schedule as part of the interim update work: both Public and Employer's Liability remain at £10 million, Fidelity Guarantee cover stands at £1.4 million and appropriate Loss of Revenue cover is in place at more than £430,000.

Conclusions

There are no matters arising in this area to warrant formal recommendation currently.

Budgetary Control and Reserves

We aim in this area of our work to ensure that the Council has appropriate procedures in place to determine its future financial requirements leading to the adoption of an approved budget and formal determination of the amount to be precepted on the local District Council (or Unitary Authority where applicable), that effective arrangements are in place to monitor budgetary performance throughout the financial year and that the Council has identified and retains appropriate reserve funds to meet future spending plans. To meet this objective:

- We noted at the first interim stage that early deliberations had been undertaken in relation to the Budgets and Precept for 2019-20, with any formal conclusions deferred until January 2019. Subsequently, at the previous interim update visit, we have verified that these deliberations were concluded at the Full Council meeting on 21st January 2019 and a Precept of £2,007,277 was approved and properly recorded;
- We are pleased to record that members continue to be provided with sound, periodic and comprehensive management accounting information in order to provide an appropriate means for monitoring budgetary performance during the current year (most recently to the Policy & Finance Committee in February 2019); and
- We note that Total Usable Reserves as at 31st March 2019 stood at just over £651,000, which comprised of specific Earmarked items totalling £220,400 and the residual General Fund of £430,600; the latter represents approximately three months net expenditure at current levels (£1,995 million) and is considered to be more than acceptable to meet the needs of the Council at present.

Conclusions

There are no matters arising in this area to warrant formal recommendation currently.

Review of Income

In this area of our review work, we aim to ensure that income due to the Council is identified, invoiced (where applicable) and recovered at the appropriate rate and within a reasonable time scale; also ensuring that it is banked promptly in accordance with the Council's Financial Regulations. Consequently:-

- We note that the schedules of Council's fees and charges continue to be reviewed and adopted annually, those for 2018-19 having been formally considered by the relevant committee and Full Council during the previous municipal year as part of the budget setting process;
- We have, as noted earlier in this report, verified all receipt transactions from Omega cashbook ledgers to relevant bank statements for three sample months in the Lloyds and NatWest cashbooks;
- We have verified all the interest and dividends arising on both the CCLA deposits and the Santander Reserve account for the year to end March 2019;
- We have examined the Cemetery activities by reference to the Burial Register entries for three sample months (July, August and September 2018) to ensure that each entry was supported by appropriate application forms / cremation certificates, that the fees and charges for each had been levied in accord with the current published scales and that sales ledger invoices had been raised in Omega in all cases;
- We have examined a sample of weekly "cashing-up" sheets for the Blakehay Theatre (w/ending 9th Dec 2018), Museum Retail and Museum Café (w/comm 10th Dec 2018), verifying that the daily reports were properly authorised, were in accord with the tills' "Z" readings, were properly analysed by way of cash / cards / cheques and were agreed to the Omega cashbook postings;
- We have examined a sample month's Sales Ledger day books (for January 2019) in full by comparison with copies of the customers' invoices to ensure that each booking for various sites had been charged in accord with the published scales depending on activity, time of day, length of hire, etc; and
- We have previously noted that the Aged Debtors report as at 30th Nov 2018 reflected overall outstanding balances of less than £20,000 with just two customers of any note: one reasonably long-standing debtor has been "chased" appropriately and an agreement is now in place for regular, smaller payments to clear the amount due over time and no further comment is considered necessary as this remains the case at the final visit.

Conclusions

No matters arise currently to warrant formal comment in this area of the audit process, any minor observations being discussed with the DTC during the course of the previous interim visits.

Petty Cash Account and Debit Card Usage

Relatively limited petty cash accounts are operated at the Administration offices, the Museum, the Café and for the Grounds staff with maximum Imprest holdings of £250, £100, £100 and £50 respectively which are "topped up" periodically.

We have examined a sample of the cash payment transactions (namely for the reimbursements raised in August 2018) with all items properly supported by till receipts or supplier invoices, correctly entered in the ledgers and with any VAT recoveries (albeit completely immaterial) separated accordingly.

We noted from our examination of minutes at the first interim visit that the Council had approved the application for a corporate charge / credit card but, at that stage, it did not appear that this had been implemented: subsequently, at the interim update visit, we are advised that this was finally resolved in December 2018 and shall check a sample of payments in accord with our five year programme of work during 2019-20.

Conclusions

There are no matters arising in this area to warrant formal recommendation currently.

Salaries and Wages

In examining the Council's payroll function, we aim to confirm that extant legislation is being appropriately observed as regards adherence to the Employee Rights Act 1998 and the requirements of HM Revenue and Customs (HMRC) legislation as regards the deduction and payment over of income tax and NI contributions, together with meeting the requirements of the local government pension scheme, as recently amended with effect from 1st April 2018 as regards employee contribution bandings.

To meet that objective, we have:

- Ensured that the Council reviews and approves pay scales for staff annually and has duly implemented an appropriate award for the current year;
- Noted previously that a payroll bureau provider (North Somerset Council) was engaged to provide the service and this remains the case in 2018-19;
- Agreed the amounts paid to employees by reference to the approved pay scales on the council's establishment list, examining a sample of all those salary payments made in September 2018;
- Ensured that Tax and National Insurance deductions for all employees have been made applying the appropriate PAYE code and NIC Table;
- Checked that the correct superannuation percentage deductions are being applied where applicable; and
- Ensured that any variations to standard payments, such as overtime and sickness and mileage, have been subject to formal timesheet records and approval by senior officers.

Conclusions

There are no issues arising in this area to warrant any formal recommendation, one minor observation being discussed and agreed with the DTC at the time of the first interim visit.

Asset Registers

The Governance and Accountability Manual requires all Councils to maintain a comprehensive register of all assets owned and leased by the Council. We aim to ensure that such a register is in place, that it is comprehensive and contains all the basic information that should, ideally, be embodied in the record.

We are pleased to note the continued maintenance of an appropriate register and have examined its content as at 31st March 2019. We again note that the accounting contractor has included a full disclosure note in the detailed Statement of Accounts, identifying the gross cost of assets, together with new additions in the financial year and also detail of “in-year” and cumulative depreciation to 31st March 2019, the Net Book Value being transferred to the detailed Balance Sheet. We have agreed the Statement of Accounts detail to that contained in the spreadsheet-based asset register with no issues and have verified the aggregate cost totals disclosed at Box 9, Page 5 of the AGAR.

Conclusions

There are no matters arising in this area to warrant formal recommendation currently.

Investments and Loans

Our objectives here are to ensure that the Council is “investing” surplus funds, be they held temporarily or on a longer term basis in appropriate banking and investment institutions, that an appropriate investment policy is in place, that the Council is obtaining the best rate of return on any such investments made, that interest earned is brought to account correctly and appropriately in the accounting records and that any loan repayments due to or payable by the Council are transacted in accordance with appropriate loan agreements.

- The Council currently has funds in the Santander Bank and the Public Sector Deposit fund, detail of which we have checked and agreed from underlying Omega control account balances to their third party statements as at 30th September 2018 and 31st March 2019; and
- The Council continues to have outstanding loan facilities with PWLB and we have verified the two instalment repayments for the year (in May and November 2018) from cashbooks to third party “demand notices” as part of the sample of supplier testing noted earlier in this report. Subsequently, at this final visit, we have also verified the residual balances disclosed at Box 10, Page 5 within the AGAR to their statements as at 31st March 2019.

Conclusions

There are no matters arising in this area to warrant formal recommendation currently.

Statement of Accounts and Annual Governance Return

The Council continues to engage the services of a third-party accountancy contractor to assist in the year-end closedown process: part of this work includes the preparation of an annual detailed Statement of Accounts.

We are pleased to note that appropriate Supporting Statements have again been prepared with amendments accordingly made to exclude some of the more onerous disclosure and reporting notes no longer required and that the DTC was provided with the necessary data to be transferred to Page 5 within the AGAR.

We have checked and agreed the content to the underlying Omega Trial Balance and other relevant supporting documentation provided in support of the detailed Accounts and AGAR information.

Conclusions

As a result of our programme of coverage during the course of the year, we are pleased to report that no recommendations arise in this area and, as noted in the preamble to this report, we have duly "signed off" the Internal Audit Report at Page 3 within the AGAR, assigning positive assurances in all categories.