



Weston-super-Mare Town Council

Internal Audit Report 2023-24 (First interim update)

Stuart J Pollard

*Director
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 has complied accordingly in terms of independence from the Council decision making process appointing us, at Auditing Solutions Ltd: the following detailed report sets out those areas examined during the course of our two interim reviews to date which have been undertaken both at our offices in advance of and subsequent to our visits to the Council, both of which took place on 13th October 2023 and 13th February 2024. The report will be updated further following our next interim visit on 21st March 2024 and final review visit the date of which we have yet to agree with the Responsible Financial Officer (RFO).

Internal Audit Approach

In continuing our review for 2023-24, 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, employing a range of selective sampling techniques across the Council's various activities.

Overall Conclusion

We are pleased to report that no concerns have been identified from the work undertaken to date this year warranting formal comment or recommendation: we will update this report following our second interim update and final review visits. We are pleased to note and congratulate the Responsible Finance Officer (RFO) / Deputy Town Clerk on her appointment as Town Clerk and urge that the Council seeks to appoint a new RFO as soon as practicable, as we consider that the two roles should, ideally, be separated, given the size of the Council.

Detailed Report

Review of Accounting Arrangements & Bank Reconciliations

Our objective here is 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 using the Rialtas Omega software with three bank accounts operated at Lloyds including the Mayor's Charity Account, supplemented by a NatWest Liquidity Manager Account and a Santander Treasury Reserve Deposit Account. We have to date: -

- Ensured that an appropriate cost centre and nominal ledger coding structure remains in place;
- Ensured the accurate roll forward of the 2022-23 closing Omega account balances as opening balances in the software for 2023-24;
- Checked and agreed three months' transactions (April and September 2023, plus January 2024) on the Lloyds Current account and the year to 31st January 2024 transactions on the other two Lloyds accounts by reference to the supporting bank statements;
- Noted that receipt of occasional interest are the only transactions occurring on the NatWest Liquidity Manager account, detail of which we have also agreed to the underlying statements for the year to date;
- Checked the three Lloyds Account bank reconciliations at 30th September 2023 and January 2024, noting that the Current account month-end cashbook balance recorded in Omega at 30th September 2023 differed from that on the month-end bank reconciliation as saved in the Omega accounting software: the variance related to the value of a late BACS payment schedule cashbook entry on 30th September 2023. We understand this to have arisen due to the reconciliation saved in the accounts being prepared in advance of the late processing / recording of the month-end BACS schedule payment in the cashbook.

Conclusions and recommendations

Whilst no significant concerns have been identified from the work undertaken to date in this area, we noted as indicated above, that the 30th September 2023 Current account bank reconciliation, as saved in the Omega accounts did not agree with the month-end balance recorded in the Omega accounts cashbook.

We shall, as in prior years, undertake further work in this area at our final visit f also ensuring the accurate disclosure of the combined cash and bank account balances at the financial year-end in the AGAR at Section 2, Box 8.

*R1. Care should be taken to ensure that the month-end bank reconciliations saved in the Omega software reflect the actual month-end cashbook balances before being saved in the accounting software and provided to the reviewing councillor(s) for scrutiny and sign-off in accordance with the Council's adopted Financial Regulations (Para 2.2 refers). **Noted and now being actioned accordingly.***

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 (SOs) and that, as far as we are reasonably able to ascertain as we do not attend meetings, no actions of a potentially unlawful nature have been or are being considered for implementation.

We have reviewed the minutes of meetings held in the year to date with no issues arising. We have again aimed to ensure that no issues affecting the Council's financial stability either in the short, medium or longer-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 are pleased to record that no such issues have been identified currently.

We have previously noted that both the formal SOs and Financial Regulations (FRs) were reviewed, re-affirmed and re-adopted in prior years, including necessary revisions in accordance with the revised 2015 EU Contract Regulations. We are pleased to note that both documents were subjected to further review and re-adoption at the March 2022 Council meeting.

We also note that the Council's Investment Policy has been reviewed and been re-adopted by the Policy and Finance Committee at their meeting in June 2022: we shall obtain a copy of the document and review its content at our next review visit. We also note the expressed intent to examine further banking opportunities to spread the level of funds held in a single bank and consequently reduce the risk of potential significant loss in the event of any bank's possible failure.

We are pleased to note that the 2022-23 AGAR has been signed-off by the external auditors without comment or any issues raised: we also note that the Council has, as required by the 2015 Accounts and Audit Regulations, published an appropriate formal "Notice of Public Rights" to examine the Council's records for 2022-23 for the requisite 30 working days.

Conclusions

We are pleased to record that no issues arise in this area currently: we will continue to review the Council's approach to governance issues and extend our review of minutes for the remainder of the year at our final visit, also checking the outcome of the intended diversification of placement of the Council's funds.

Review of Purchasing and Payment Procedures

We aim in this area 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 FRs;
- 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 in this area for compliance with the above criteria now selecting a total sample of 82 individual payments in the year to 31st January 2024 including the annual NNDR payments made monthly: our test sample includes all payments in excess of £4,000 plus every 40th other payment to that date totalling £1,776,620 and equating to 80% of the year-to-date non-pay related expenditure.

We note that VAT Returns continue to be submitted electronically as required by extant legislation and have ensured recovery of the 2022-23 closing balance in the current financial year, together with the 2023-24 first two quarterly reclaims by reference to the VAT control account in Omega.

Conclusions

We are pleased to report that no issues have been identified among our test sample to date this year warranting formal comment or recommendation: we will extend our test sample to cover the remainder of the year at our final visit, also ensuring the accurate and timely submission of the year's second half year's VAT reclaims.

However, as purchase invoices are now being retained only in electronic format which results in additional work for the finance staff copying the invoices and emailing them to us for scrutiny, we have discussed the position with the RFO suggesting that, rather than scan and save invoices individually, as there are frequently several invoices making up the individual payment (e.g. John West), the documents be scanned as a group where applicable and saved as a single PDF file in support of the total payment to each supplier.

Assessment and Management of Risk

Our aim here is to ensure that the Council has put in place 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 to minimise the opportunity for their coming to fruition. With that in mind, we note that the Council's previously adopted LCRS risk register has again been reviewed and re-adopted by the Council at the November 2023 full Council meeting. We have examined the document and consider that it remains appropriate for the Council's present requirements.

We have also examined the Council's 2023-24 insurance schedule with Aviva, noting that premises and contents cover is in place for all Council properties, together with Public and Employer's Liability cover both standing at £10 million, and Fidelity Guarantee cover at £1.4 million and "Loss of Revenue" cover at £699,000, all of which we consider appropriate for the Council's present requirements.

Conclusions

No issues have been identified warranting formal recommendation in this area at present. We shall continue to monitor the Council's approach to risk management at future reviews.

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 North Somerset DC, 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.

We are pleased to note that, after due consideration, the 2024-25 budget and precept were approved and adopted at the January 2024 full Council meeting, the latter being set at £3,135,840.

We are also pleased to note that members continue to be provided with periodic and comprehensive management accounting information based on the Omega detail and have reviewed the latest budget performance position (i.e., at 31st January 2024). We have noted a few potential “hotspots” in terms of cash and percentage variances against the recorded budget value in the Omega accounts: it appears that the recorded budgets may have been understated in some of these instances, as the current year expenditure more closely aligns to that in the prior year. We have examined the detailed transaction reports in Omega for those areas and are satisfied that expenditure has been accurately recorded: consequently, we urge that, when populating the Omega accounts budget values for 2024-25 attention is paid to ensuring that the budget value is more accurately assessed and recorded.

Conclusions

No significant concerns have been identified in this area, although, as indicated above, care is required to ensure that expenditure budgets are more closely aligned to prior year and /or actual anticipated values to afford a more meaningful and accurate means of comparing in year expenditure with a realistic budget value based on prior year budget outturns. We shall continue to monitor the budgetary performance at future visits seeking and obtaining appropriate explanations for any further significant variances arising. We shall also consider the continuing appropriateness of the retained reserves (General and Earmarked) to fund ongoing revenue spending requirements and future development intentions / aspirations.

Review of Income

The Council receives variable income from a variety of Council managed sources detail of which we examine over a few years in accordance with the agreed strategic plan. We have undertaken only limited work in this area currently and intend to focus attention at our next visit in March 2024 on specific income streams visiting the Blakehay Theatre and the Museum. We will also, hopefully, at our final review for the year, visit the Splashpad.

We have, however at this visit reviewed the three active Omega Sales Ledger – “Unpaid invoices by date” records noting that there were a number of long-standing unpaid invoices recorded as at 31st January 2024. We have discussed the position with the RFO and her staff noting that a number of the long-standing debts have either now been settled, referred to the Small Claims Court or been approved for write-off. We shall review the position at our final review visit for the year highlighting any further long-standing debts in the updated report.

Conclusions

As indicated above, no issues arise in this area currently warranting formal attention or recommendation: we shall undertake more detailed work at our next visit in March, as also indicated above, specifically following up progress on the implementation of recommendations set out in our prior year report in relation to the Museum.

Review of Staff Salaries

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 HMRC legislation relating to the deduction and payment over of income tax and NI contributions, together with meeting the requirements of the local government pension scheme, as further amended with effect from 1st April 2023 as regards employee contribution bandings.

To meet that objective, we have at our first review for the year:

- Ensured that the Council reviews and approves pay scales for staff annually;
- Noted previously that North Somerset Council continues to provide the payroll service for the Council, also now noting that a new provider has been contracted to provide the payroll service;
- Agreed the amounts paid to a random sample of 18 employees in September 2023, as recorded on their payslips, across the various sections of the Council by reference to the approved pay scales on the Deputy Town Clerk / RFO's establishment list for 2023-24;
- Ensured that Tax and National Insurance deductions for those 18 employees have been made applying the appropriate PAYE code and NIC Table, and
- Checked that the correct superannuation percentage deductions were being applied, where applicable.

We have, at this update visit, undertaken further work in this area following implementation, in November 2023, of the national 2023-24 pay award, together with arrears backdated to 1st April 2023 by reference to the payslips of a sample of 20 employees.

Conclusions

We are pleased to record that no issues arise in this area this year warranting formal comment or recommendation.

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.

We have previously recorded that the Council reviewed, updated and re-adopted its Investment Policy in June 2022: we will check on the Council's progress to arrange for further diversification of the funds that are currently all held in the Lloyds bank accounts.

The Council has an outstanding loan with PWLB: we have verified the two instalment repayments to the third-party PWLB demand notice as part of the sample of purchase invoice testing reported earlier in this report.

Conclusions

We are pleased to record that no issues arise in this area currently and will undertake further work at our final visit ensuring the accurate recording of the residual year-end loan liability in the AGAR by reference to the UK Debt Agency website where detail of all outstanding loan liability for Councils, etc is reported at 31st March annually.

Rec. No.	Recommendation	Response
Review of Accounting Arrangements and bank Reconciliations		
R1	Care should be taken to ensure that the month-end bank reconciliations saved in the Omega software reflect the actual month-end cashbook balances before being saved in the accounting software and provided to the reviewing councillor(s) for scrutiny and sign-off in accordance with the Council's adopted Financial Regulations (Para 2.2 refers).	<i>Noted and now being actioned accordingly.</i>

Annual Governance and Accountability Return 2023/24 Form 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 that:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2023/24

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 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** **must** be completed by the authority's internal auditor.
 - **Sections 1 and 2** **must** 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 on the authority website/webpage **before 1 July 2024**.
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) **no later than 30 June 2024**. Reminder letters will incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2024
 - 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 2023/24

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 limited assurance review and is able to give an opinion, 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 the authority website/webpage:

Before 1 July 2024 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 2023/24**, approved and signed, page 4
- **Section 2 - Accounting Statements 2023/24**, approved and signed, page 5

Not later than 30 September 2024 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 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 Form 3 of the Annual Governance and Accountability Return (AGAR) 2023/24

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *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 AGAR is complete (no highlighted boxes left empty) and is properly signed and dated. Any amendments must be approved by the authority and properly initialled.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2024.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- **You must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chair, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR 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 bank reconciliation is incomplete or variances not **fully** explained then 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 2023) equals the balance brought forward in the current year (Box 1 of 2024).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage 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 2024**.

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', has an explanation been published?		
Section 2	Has the Responsible Financial Officer signed the accounting statements before presentation to the authority for approval?	✓	
	Has the authority's approval of the accounting statements been confirmed by the signature of the Chair of the approval meeting?		
	Has an explanation of significant variations been published where required?		
	Has the bank reconciliation as at 31 March 2024 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 2023/24

Weston-super-Mare Town Council

www.WSM-tc.gov.uk

During the financial year ended 31 March 2024, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2023/24 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	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 bank account reconciliations were properly carried out during the year.	✓		
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 2022/23, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")			✓
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2023-24 AGAR period, were public rights in relation to the 2022-23 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set)	✓		
N. The authority has complied with the publication requirements for 2022/23 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (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

13/10/2023

13/02/2024

14/06/2024

Name of person who carried out the internal audit

S J Pollard for Auditing Solutions.co.uk

Signature of person who carried out the internal audit

Date

14/06/2024

***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).**

****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 2023/24

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 2024, that:

	Agreed		
	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 must be published with the Annual Governance Statement.**

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

13/06/2024

and recorded as minute reference:

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

Chair

Clerk

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Section 2 – Accounting Statements 2023/24 for

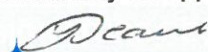
Weston-super-Mare Town Council

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	
1. Balances brought forward	1,641,823	1,464,701	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	2,631,385	2,936,238	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	774,235	396,389	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	-1,214,449	-1,307,498	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	-36,970	-55,124	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	-2,331,324	-2,485,996	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	1,464,701	948,710	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	1,514,917	1,273,718	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	3,666,761	4,738,606	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	463,942	430,038	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)		✓		The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.
11b. Disclosure note re Trust funds (including charitable)		✓		The figures in the accounting statements above exclude any Trust transactions.

I certify that for the year ended 31 March 2024 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



Date

13/06/2024

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

13/06/2024

as recorded in minute reference:

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

Section 3 – External Auditor’s Report and Certificate 2023/24

In respect of

Weston-super-Mare Town Council

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02 as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/> .

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 2024; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor’s limited assurance opinion 2023/24

(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 2023/24

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 2024.

*We do not certify completion because:

External Auditor Name

External Auditor Signature

Date