

Report to Lowestoft Town Council

Interim Internal Audit (8 and 9 January 2019)

1. Introduction and Summary.

1.1 The programmed Internal Audit reviews for the year 2018/19 provide for two Interim Audits which will lead into and support the End-of-Year Audit planned to take place in April 2019. In this way the Town Council is supported throughout 2018/19 in terms of receiving assurance upon the adequacy and efficiency of key systems in place. This audit report relates to the second interim review undertaken in the 2018/19 year of account.

1.2 The Internal Auditor attended the Town Council's offices on 8th and 9th January 2019 to commence the second Interim Internal Audit Review. An agreed Audit Plan for this Interim Review is in place.

1.3 This Interim Audit Review has confirmed that the Town Council continues to maintain an efficient and effective framework of financial administration and internal control. The review focussed in particular upon the examination of a random, wide-ranging sample of transactions over the first nine months of the financial year. The examination provided evidence that adequate and effective internal financial controls are in place.

1.4 The Town Council is making good progress in the construction of the Budget for the 2019/20 year together with a Capital Programme to cover a 5-year period with projections for a further 5 years beyond. The Town Council is currently undertaking a comprehensive review of the draft budget documentation prepared by Ms Shona Bendix, the Town Council's Clerk (Proper Officer) and Responsible Financial Officer (RFO) and her staff. The review includes the consideration of the revenue implications of capital works and any PWLB loans that may be secured for the funding of the works. Approval by the Town Council of the Precept for the 2019/20 year is due to take place at a meeting to be held on 22 January 2019.

1.5 The Budget for 2019/20 and the Capital Programme has been informed by the comprehensive survey undertaken during 2018 by the Town Council to obtain the views of residents in terms of the future direction of the provision of services and the use of assets. The Town Council continues to work closely with the local community in this respect and will host a Waveney Parishes Forum on 25 January 2019 for Councillors and Clerks of Parish and Town Councils in the Waveney area.

1.6 A wide range of formal policies, procedures and protocols are being maintained and have been reviewed during the year. These provide a solid foundation for the operation of strong financial management and control.

1.7 The following Internal Audit work was carried out on the adequacy of the systems of internal control in accordance with the Audit Plan. Comments and any recommendations arising from the review are made below.

2. Governance issues, Including Financial Regulations and Standing Orders (examination of Financial Regulations and Standing Orders, Tenders where relevant, appropriate payment controls including acting within the legal framework with reference to Council Minutes. Identifying VAT payments and re-claims. Electronic payments, cheque books and other relevant documents).

2.1 The Town Council's Standing Orders and Financial Regulations (both approved and adopted on 8 May 2018) and other regulatory issues were reviewed during the Interim Internal Audit undertaken in September 2018. These areas will be revisited during the End-of-Year Audit in April 2019. This Interim Review included the examination of a number of other important governance matters, including the confirmation that adequate and effective Policies and Procedures are in place.

2.2 The Town Council has been regularly updated by the Town Clerk/RFO and Deputy Town Clerk regarding the application of the General Data Protection Regulations (GDPR). Whilst the Town Council is not required to formally appoint a Data Protection Officer (DPO), it has demonstrated good practice by resolving that the Deputy Town Clerk should take the lead in data protection, data information management and freedom of information issues for the Town Council.

2.3 The Town Council is registered with the Information Commissioner's Office (ICO) as a public authority under Data Protection legislation (Registration ZA250273 refers, expiring 23 May 2019). The Town Council maintains a number of formal Data Protection policies and procedures to demonstrate compliance with GDPR, including a Document Retention Policy and a Privacy Notice. In addition, Town Councillors are registered as Data Controllers under data protection legislation (confirmed by the Town Council at its meeting on 10 July 2018, Minute 340.1b refers).

2.4 In order to provide for the changes in the Data Protection Regulations, including the issue that a DPO may be appointed but is not compulsory, the Town Council's Standing Orders were up-dated at the meeting held on 4 September 2018 (Minute 382.1c refers).

2.5 The Town Council's Minutes and those of the Council's Committees continue to be very well presented and provide clear evidence of the decisions taken by the Council in the year.

2.6 The Town Council continues to demonstrate good practice by maintaining a wide range of formal Policies and Procedures (at its meeting on 8 May 2018, the Town Council agreed that Review and Adoption of the Council's Policies and Procedures should be undertaken by the Finance and Governance Committee. In turn, the Committee resolved at its meeting on 26 June 2018 that the scope of the Standing Orders Working Group would be expanded to include the review of the Town Council's Policies and Procedures).

2.7 All formal Policies and Procedures are being reviewed by the Finance and Governance Committee, which has received recommendations from the Personnel Committee in respect of some Policies. At its meeting on 11 October 2018, the Finance and Governance Committee considered and amended, as required, the Policies relating to Equality and Diversity, Complaints Procedure, Member/Officer Protocol, Grievance Procedure and Disciplinary Procedure and Rules (Minute 355.2 refers). In addition, following a review by the Committee, a Recycling Policy and a Reserves Policy were adopted.

2.8 In further response to the governance responsibilities placed upon it, the Finance and Governance Committee also reviewed and adopted at its meeting on 11 October 2018 an Investments Policy, Lone Working Policy, Safeguarding Policy, Data Retention Policy, Data Protection Policy, Social Media Policy, Media Policy, Health and Safety Policy, Incident Reporting Procedure, Anti-Bullying and Harassment Policy and a Whistleblowing Policy (Minute 355.2 refers). The Town Council confirmed its adoption of all the above Policies and Procedures at its meeting on 23 October 2018 (Minutes 395.1d and 395.1e refer) and also accepted the recommendation from the Assets, Inclusion and Development Committee to adopt the Legionella Control and Water Hygiene Policy (Minute 396.1a refers). Finally, at its meeting on 18 December 2018, the Town Council agreed to sign the Modern Anti-Slavery Charter as part of its adherence to a high standard of governance (Minute 462.1 refers).

2.9 The Town Clerk/RFO has confirmed that the Town Council is committed to the development of appropriate and formal Policies as and when the need is identified and has noted in the Finance Action Plan (approved by Council on 23 October 2018) that all Policies are due to be presented to the Annual Meeting of the Council in May 2019 for consideration.

2.10 The Town Council is continuing to apply the General Power of Competence (GPoC) in 2018/19. At its meeting on 16 May 2017 the Council declared that it was an eligible Council to use GPoC, having two-thirds elected Councillors and a suitably qualified Clerk, and adoption of the Power was agreed. Following the next Ordinary Election in May 2019, the Town Council, if it remains eligible, will have the opportunity at the first Annual Meeting of the new Council to resolve to be a General Power of Competence Council again.

2.11 A governance issue highlighted in previous Internal Audit reports concerned the outstanding registration of areas of land for which the Town Council is responsible and the Town Clerk/RFO remains in discussion with Waveney District Council (WDC) on these matters. The Finance Action Plan confirms that WDC is now progressing land registrations at a greater pace but that WDC's actions will require monitoring and any registrations will need to be carefully checked.

2.12 The Town Council continues to use Unity Trust for its banking requirements. Internet banking arrangements are in place with appropriate controls being enforced.

2.13 VAT payments are tracked and identified within the RBS system and the data is being used effectively for reclaims to HMRC. The Town Council is Registered for VAT purposes and re-claims for VAT paid in the year of account are being promptly

submitted to HMRC and reimbursement being received. A claim for £60,056.22 net VAT paid from 1 January 2018 to 31 March 2018 was received on 11 May 2018 and was reported to Council at its meeting on 5 June 2018 (Minute 323.4 refers).

2.14 Similarly, a re-claim for £41,598.67 net VAT paid from 1 April 2018 to 30 June 2018 was submitted to HMRC on 3 August 2018, received at bank on 9 August 2018 and reported to Council at its meeting on 4 September 2018 (Minute 381.2 refers).

3. Accounting Procedures and Proper Book-keeping (*examination of entries in the Cashbook, regular reconciliation of books and bank statements and supporting vouchers, invoices and receipts*).

3.1 The RBS system continues to satisfactorily maintain the Town Council's Income and Expenditure accounting system and was seen to be in good order. The RBS accounting information is well referenced and overall provides a good audit trail to the supporting documentation. The data recorded provides good evidence in support of the income and expenditure in the year.

3.2 Financial Reports are being produced from the RBS system, both for internal use by staff and for formal presentation to Councillors. An Excel accounting spreadsheet operated alongside the RBS system in order to provide a 'safety-net' during the initial few months of the operation of the new package but this is no longer required and is to be discontinued from January 2019.

3.3 The RBS accounting system was confirmed as being up-to-date; entries within the system included transactions up to and including 31 December 2018, with a Bank Reconciliation completed at that date. The Communications and Customer Services Assistant has received basic training on the RBS system and is able to access and operate the essential elements of the system, make necessary up-dates, generate reports and achieve regular reconciliations between the Accounts and the bank statements. The Town Clerk/RFO is aware of the additional training needs that is required to enable the Communications and Customer Services Assistant to administer all aspects of the RBS system. This training and development issue will assume increased importance as work begins on the completion of the End-of-Year Accounts for 2018/19. The Town Clerk/RFO has advised that additional support/training will be secured from RBS to support her staff leading into the End-of-Year Accounts programme of work.

3.4 The Town Clerk/RFO and the Communications and Customer Services Assistant are the designated system administrators. The Communications and Customer Services Assistant demonstrated to the Internal Auditor the clear audit trail from the underlying financial records to the Accounts, with supporting documentation in place.

4. Bank Reconciliation (*Regularly completed and Cashbook reconciles with bank statements*).

4.1 The Town Council's Accounts have been reconciled to the Town Council's Unity Bank Statements as at 31 December 2018. The Internal Auditor examined the Reconciliation in detail and the Reconciliation was confirmed to be correct.

4.2 The Council's Financial Regulations require a Councillor (who is not the Chair or a bank signatory) to take responsibility for checking quarterly Bank Reconciliations. The Town Clerk/RFO and the Town Councillor designated to undertake this duty signed the Bank Reconciliation on 7 January 2019 to confirm its correctness.

4.3 The Finance and Governance Committee continue to receive and confirm the satisfactory completion of Bank Reconciliations; the Committee meetings held on 21 August 2018 (Minute 338), 11 October 2018 (Minute 358.1) and 13 December 2018 (Minute 399.1) refer. The Town Council subsequently noted at its meetings on 23 October 2018 (Minute 394.1a), 27 November 2017 (Minute 428.1) and 18 December 2018 (Minute 461.1a) respectively that Bank Reconciliations had been completed.

4.4 The Town Council demonstrates good financial practice in this respect by overseeing this important area of financial control.

5. Budgetary controls (*Verification of the budgetary process with reference to Council Minutes and supporting documents*).

5.1 The Finance and Governance Committee has received appropriate Budget Monitoring Reports (details of actuals to budget projections) during the 2018/19 year. The detailed estimates of the annual budget and of income and expenditure in respect of the 2018/19 year have been used effectively for financial control and budgetary control purposes. The Town Council has a standing agenda item for Finance which includes the Minutes of the Finance and Governance Committee and the monitoring of the Budget and Bank Reconciliations.

5.2 At the date of this Internal Audit Report the Town Council is continuing to consider the 2019/20 Budget and Precept requirements leading from that Budget. The Budget is proving to be challenging, not least because of the significant work required in the re-categorising and recording of expenditure and income in 2019/20 as the Council adjusts from Waveney D.C.'s initially defined budget to a detailed budget and recording based on actual expenditure and need. This includes all new areas of ongoing expenditure, including loan payments and insurance. Similarly, any new income streams have had to be incorporated into the Budget and recorded within the RBS accounting software.

5.3 Following initial development of the 2019/20 Budget by the Budget Working Group, the Finance and Governance Committee undertook a detailed and in-depth consideration of the Draft Budget for 2019/20 and considered all relevant budgetary issues surrounding a proposed Precept for 2019/20 which would lead into the Committee's formal recommendations to full Council. At its meeting on 27 November 2018 the Town Council considered a draft Budget for 2019/20 and related Precept

and agreed that all Councillors should be invited to the next Budget Working Group meeting to hear more about the budget analysis. The regular Budget Working Group meetings and formal, detailed examination by the Finance and Governance Committee and the Full Town Council demonstrates the good financial practice and robust budgetary preparation/monitoring operating within the Council.

5.4 The Town Council is due to finalise its consideration of the 2019/20 Budget and formally set a Precept for the year at its meeting on 22 January 2019. The Capital Programme is being constructed alongside the 2019/20 Budget and includes projections for a period of 10 years.

5.5 The Clerk/RFO continues to ensure that the Town Council and its Committees are made fully aware of specific responsibilities, commitments, forward planning and the need for adequate reserves.

5.6 A formal Reserves Policy is in place. A review of anticipated level of reserves took place when the 2018/19 Budget was being determined by the Town Council and a comprehensive Spreadsheet was produced detailing the anticipated movements in the year and the projected End-of-Year Reserve Balances through to the financial year 2020/21. The Spreadsheet has been published on the Town Council's website as part of the 2018/19 Budget information and is being up-dated as part of the 2019/20 Budget preparation.

6. Internal Financial Controls, Payments Controls and Audit Procedures (Confirmation that the Council has satisfactory internal financial controls in place).

6.1 Detailed financial information has been provided by the Town Clerk/RFO to the Town Council and its Committees during the 2018/19 year in all aspects of the Town Council's operations. This has assisted in the development of a robust and effective financial control framework.

6.2 The Town Council has appointed signatories that are required on all financial transactions and has approved the sections of Financial Regulations to reflect the arrangements in place. Amendments to the list of approved signatories are formally considered and approved by the Town Council.

6.3 The Finance and Governance Committee receives schedules of payments to be made; the list of payments is included in the Minutes of the Committee. The Committee also receives and scrutinises details of income received. The full Council considers and approves Payments: a detailed list of Payments is included within the Council's Minutes.

6.4 Testing of the Payments system was undertaken by means of a detailed examination of a wide-ranging sample of transactions over the first 9 months of the 2018/19 financial year, the supporting invoices and vouchers and confirmation of the necessary authorisations. The testing included confirmation that:

- a) There a clear audit trail to clearly demonstrate that payments in the Cashbook are supported by invoices, properly authorised and Minuted;
- b) Electronic Payments are properly recorded and documented;
- c) The VAT element within payments has been correctly identified, recorded and available for reclaim from HMRC;
- d) The Town Council's Minutes provide a clear record of the payments made.

The testing of the sample of transactions proved satisfactory and confirmed that adequate and effective internal financial controls are in place.

6.5 The Interim Internal Audit Report dated 12 September 2018 was received by the Finance and Governance Committee at its meeting on 11 October 2018 (Minute 357.1 refers). The Town Clerk/RFO subsequently prepared a Finance Action Plan, which included recommendations arising from the Audit Report. The Action Plan was accepted by the Committee for recommendation to Full Council.

6.6 At its meeting on 23 October 2018 the Town Council received and noted the Interim Internal Audit Report (Minutes 395.1b refers). The Finance Action Plan was also received and adopted by the Town Council (Minute. 395.1c refers).

7. Payroll controls (PAYE and NIC in place; compliance with HMRC procedures; records relating to contracts of employment).

7.1 The Town Council's Payroll was examined and tested during the Interim Internal Audit undertaken in September 2018 and this area will be revisited during the End-of-Year Audit in April 2019.

7.2 The Town Council's Payroll Services were initially operated in the year 2018/19 by the Suffolk Association of Local Councils (SALC). However, at the meeting held on 5 June 2018 the Town Council agreed not to renew the subscription to SALC and accordingly an alternative provision for payroll was required. The Council agreed to contract with Guy McGregor and Associates and Accountants to provide Payroll Services at a cost of £4.50 per payslip (Minute 333.1 refers). The Town Clerk/RFO has advised that the arrangements are currently working satisfactorily but will continue to be monitored.

7.3 The Finance and Governance Committee receives details of salary costs per month; salary payment totals are recorded in the Committee's Minutes.

7.4 At its meeting on 18 December 2018 the Town Council agreed that it would apply the NJC salary cost of living increase to all staff on an on-going basis, regardless of whether a contractual obligation exists, until further notice (Minute 470.1 refers)

8. Petty Cash (Associated books and established system in place).

8.1 At its meeting on 1 October 2018 the Finance and Governance Committee agreed to instigate the operation of a Petty Cash system with a rolling £100 balance

and with a total spend no higher than £500 per year. The Committee also agreed that any charges for cashing cheques should not exceed those that apply for pre-paid credit cards (Minute 357 refers). The Petty Cash arrangements received the approval and adoption by the Full Council at its meeting on 23 October 2018 (Minute 394.1e refers).

8.2 The Petty Cash system, having just been introduced, now requires the construction of formal written instructions to detail its purpose, the procedures that will apply for sums to be drawn from Petty Cash, the retention of receipts/vouchers to evidence the payments and the arrangements in place for cash re-imburement to the fund. The Town Clerk/RFO has advised that these written instructions will shortly be prepared and presented to the Finance and Governance Committee for approval.

8.3 The End-of-Year audit in April 2019 will include an examination of the operation of the Petty Cash system in order that the necessary confirmation can be given by the Internal Auditor in the Annual Internal Audit Report within the 2018/19 Annual Governance and Accountability Return (AGAR).

9. Income controls (*Regarding Precept and other income, including fees and charges and credit control mechanisms*).

9.1 The previous Internal Audit Report noted that the Finance and Governance Committee had considered the Charges for all Leisure Activities at its meeting on 28 November 2017 including the cost of collecting the income, use being made of facilities and how free facilities may encourage greater use and facilitate future external funding, The Committee agreed that the Council should move to lift charges for all leisure facilities from April 2018 for a trial period (Minute 116 refers). At its meeting on 5 December 2017 the Town Council agreed to the cessation of charges for a one-year trial.

9.2 As part of its consideration of the Budget for 2019/20 the Town Council is currently considering the fees and charges to be applied in the forthcoming year including the recommendations put forward by the Finance and Governance Committee in this respect.

9.3 The Receipts system is operated within the RBS Accounting System. Testing of the Receipts system was undertaken by means of detailed examination of a wide-ranging sample of transactions over the first 9 months of the 2018/19 financial year.

The testing included confirmation that:

- a) Income is properly recorded in the accounting system (and promptly banked where appropriate);
- b) Documentary evidence exists to confirm that the correct amount of income has been invoiced/received;
- c) Debtors are encouraged to make payment electronically.
- d) Invoices are promptly issued and any follow-up procedure is adequate and effective;

- e) Income sources, fees and charges are reviewed each year to confirm appropriate and adequate rates are being charged.

9.4 The testing of the sample of transactions proved satisfactory and confirmed that adequate records are being maintained in the RBS accounting system and satisfactory documentary evidence is being retained to support the income received.

9.5 Detailed examination of the arrangements for obtaining amounts due from the Town Council's Tenants revealed that a formal Debtors system needs to be put in place to provide increased control over the income due and received. This can be achieved either through using the RBS system or by setting up a separate Spreadsheet system which will list (inter alia) the Tenancy details, the income due, date of invoice issued, sums received, and any follow-up action required and the results of that action. In this way, an improvement in the financial administration and control will be secured in this important area of the Town Council's operations.

10. Internal Control and the Management of Risk (*Review by Town Council of the effectiveness of internal controls, including risk assessment, and Minuted accordingly*).

10.1 The Council's Risk Assessment and Management Policy, the Corporate Risk Assessment, Insurance Cover and other risk management issues were reviewed during the Interim Internal Audit undertaken in September 2018. These areas will be revisited during the End-of-Year Audit in April 2019.

10.2 This Interim Review confirmed that the Town Council continues to place emphasis on ensuring that robust and effective Internal Control and Risk Management arrangements are in place. The risk management documentation is comprehensive and clearly identify the risks involved and the action being taken to manage and mitigate the risks identified. In addition, the Finance and Governance Committee has a standing item at each meeting for risk management and compliance issues.

10.3 All risk management issues arising from the previous Internal Audit Report (dated 12 September 2018) and the External Audit Report (dated 25 September 2018) were addressed in the Finance Action Plan approved by the Town Council on 23 October 2018.

10.4 In order to comply with Section 4 of the Accounts and Audit Regulations 2015, the Town Council must undertake before the end of March 2019 a formal review of the effectiveness of the Council's system of internal control, including the arrangements for management of risk, and Minute the review accordingly. The Town Clerk/RFO has confirmed that this will take place and will include a review of any additional matters that may be required to be included in the risk management documentation following the cessation of WDC support services under the 113 Agreement and the purchase of the Box Office building during the year of account.

10.5 The Finance and Governance Committee continues to consider insurance cover under its Risk Management and Compliance responsibilities. Insurance cover for the

newly acquired Box Office building is in place, as confirmed to the Finance and Governance Committee on 21 August 2018 (Minute 334.3 refers).

11. Matters arising from Transfer of Assets and Transfer of Existing Contracts to the Town Council (*balances/funding transferred from Waveney DC and any held in ring-fenced fund for use by the Town Council; transfer of assets. Operation of Contracts; contract monitoring processes*).

11.1 Previous Internal Audit Reports have explained in detail the background to the Section 113 Agreement (under the Local Government Act 1972) put in place between the Town Council and the Waveney District Council. All services provided under the Section 113 Agreement came to an end on 31 August 2018 other than Asset and Legal Support Services, which have been extended to 31 January 2019 with a request for a further extension to 31 March 2019.

11.2 The Finance and Governance Committee closely scrutinises the Waveney Norse Partnership Charges. The Town Council has given delegated authority to the Town Clerk/RFO to authorise the monthly payments. These Charges are highly significant in relation to the Town Council's overall budget and are subject to close scrutiny by the Committee. Effective monitoring of the Partnership Charges is an important element of the Town Council's overall financial control framework.

11.3 The Internal Audit Report dated 12 September 2018 noted the on-going work being undertaken by the Assets, Inclusion and Development Committee and the Facilities and Contracts Manager in developing a Service Level Agreement (SLA) with Waveney Norse which will reflect the Town Council's precise requirements in terms of the work required. In support of the SLA, Key Performance Indicators (KPI's) were also being prepared. This work continues alongside the scrutinising of performance and developing and embedding new policies in asset management.

11.4 At its meeting on 23 October 2018, the Town Council noted that the Facilities and Contracts Manager was constructing a tender process for the provision of services outside of the Waveney Norse contract, giving ease of access to local tradespersons (Minute 396.1 refers) and that the Assets, Inclusion and Development Committee will provide recommendations to the Town Council in due course.

11.5 This Interim Internal Audit has confirmed that the Town Council continues to have satisfactory arrangements in place to ensure compliance issues are carefully considered and adequately addressed. Each meeting of the Assets, Inclusion and Development Committee has a standing item to consider compliance monitoring, maintenance and condition surveys. The Committee, with the support of the Facilities and Contracts Manager, has considered the spreadsheets devised for overseeing the monitoring and maintenance of sites going forward.

11.6 The Facilities and Contracts Manager has reported to Committee upon his review of leases and licences to identify the contractual responsibilities of the Town Council and those of tenants in terms of maintenance of sites. This has been organised into a Long-term Plan using the condition surveys, supported by risk analyses, to identify priorities and required budgets.

11.7 At its meeting on 13 December 2018 the Finance and Governance Committee noted, as part of its consideration of risk management and compliance, that a Spreadsheet of compliance data over the next 10 years has been incorporated within the budget-setting process and that data from condition surveys has similarly informed the process (Minutes 397.1 and 397.2 refer).

12. Asset control & valuation (*Inspection of asset register, checks on existence of assets; recording of fixed asset valuations; cross checking on insurance cover*).

12.1 The Town Council continues to maintain a standing agenda item for Assets at each meeting and receives reports on the ongoing work on asset records and the management and control of assets, including receiving the Minutes of the Assets, Inclusion and Development Committee meetings. At its meeting on 8 May 2018 the Town Council agreed that a review of the Register of Land and Assets should be undertaken by that Committee (Minute 286 refers).

12.2 A detailed Register of Land and Assets is maintained and is published on the Council's web-site. The Register will be examined in detail in April 2019 as part of the End-of-Year Internal Audit programme of work.

12.3 The Finance Action Plan approved by the Town Council on 23 October 2018 records that the review of Asset Records for each significant asset or group of assets is currently on-going.

13. Sole Trustee (*The Council has met its responsibilities as a trustee*).

13.1 The Arnold's Bequest has now been formally transferred to the Town Council, which acts as the Sole Trustee. The Town Council has a standing agenda item regarding the Arnold's Bequest at each of its meetings.

14. External Audit (*Recommendations put forward, or comments made, during the annual review*).

14.1 The first External Audit review of the Town Council was undertaken by PKF Littlejohn LLP for the year of account ending 31 March 2018, following the Town Council's submission of the Annual Governance and Accountability Return for the 2017/18 year. The Report and Certificate by the External Auditors is dated 25 September 2018 and has been published on the Council's web-site. The Report confirms that no matters of concern were raised.

14.2 The Report and Certificate by the External Auditors for the 2017/18 year was noted and accepted by the Finance and Governance Committee at its meeting on 11 October 2018 (Minute 357.2 refers) and subsequently received by the Town Council at its meeting on 23 October 2018 (Minute 395.1a refers).

15. Additional Comments.

15.1 The End-of-Year Internal Audit is due to take place over the period 24 to 26 April 2019. The Annual Internal Audit Report within the Annual Governance and Accountability Return (AGAR) will be completed at that time and will assist to inform the Town Council in its completion of the Annual Governance Statement 2018/19 within the AGAR.

15.2 I would like to record my appreciation to the Town Clerk/RFO and to all her staff for their support and assistance during the course of the audit work.

Trevor Brown

Trevor Brown, CPFA

Internal Auditor

9 January 2019