

REPORT BY INTERNAL AUDITOR
THE ANNUAL AUDIT 2020/21 AND OTHER MANAGEMENT MATTERS
BISHOP AUCKLAND TOWN COUNCIL

Comments on the asterisked matters at the foot of the Annual Internal Audit Report 2020/21

* *BOX B – My Report identifies the following areas of concern:-*

A) BANK DEPOSITS

The Council need to review its bank deposits to ensure as far as possible no more than £85,000 is held with one Bank, including any associated Banks, providing they are covered by the FSCS.

Comment

Whilst not in the Council's Financial Regulations good practice would dictate that the Council should protect its deposits as far as possible and take note that the FSCS cover is restricted to £85,000 including associated Banks (eg Lloyds and HBOS) .

Bishop Auckland Town Council has previously made efforts to keep within these parameters but currently this is not the case.

On a general point I am aware of several Councils that have deposits in excess of the £85,000 limit with one Bank. This practice should be addressed by NALC (if not already done so) and possibly a new para included in the Model Financial Regulations.

I have raised this matter with the County Durham Association of Local Councils and hopefully it will refer this to the NALC for action.

B) STATEMENTS OF PAYMENTS/INCOME REPORTED TO THE COUNCIL

To comply with its own Financial Regulations the Council should have such statements attached to its Agenda (where such an item appears on the agenda) and in its Minutes subject to the possible exception of personal information.

Comment

The Council's practice is a departure from the Council's Financial Regulations (Para 5.2 refers).

C) GRANTS

The Council should consider amending its Application Terms and Conditions so that applicants should include a copy of their immediate and long term plans with an indication as to how these would be funded.

Comment

The existing policy document needs to be strengthened to make sure that any grant awarded reflects a genuine need and that the applicant is unable to fund the amount requested from its own deposits.

Bearing in mind these comments I had to state NO under Box B

One other matter which should always be considered relates to insurance reinstatement valuations.

Again Financial Regulations should advise that in cases where building/structures etc are involved a valuation should be prepared by a suitably qualified person – usually a Quantity Surveyor.

This applies in Bishop Auckland Town Council's case – namely the Kingsway premises.

BISHOP AUCKLAND TOWN COUNCIL'S RESPONSE TO MY MAIN RECOMMENDATIONS FOR THE INTERNAL AUDIT 2020/21

Please see attached schedule which I understand will be considered at a Meeting of the Town Council on 22nd June 2021.

I would appear that the Town Clerk has recommended action be taken on all the key issues raised in my Report.

BISHOP AUCKLAND TOWN COUNCIL'S RESPONSE TO MY MAIN RECOMMENDATIONS FOR THE INTERNAL AUDIT 2019/20

As I am not clear as to whether my comment are required on the Town Council's response to my Report for 2019/20 but I have taken the opportunity of inspecting the response schedule submitted to the Council on 28th August 2020 which appeared to address most of my concerns.

It will be noted that the Council has still to take action on the 2 matters raised again by me under:-

ESSENTIAL A) BANK DEPOSITS and

DESIRABLE 2) VAT

as in my Report for 2020/21

** * Re Box K and L – I responded Not covered as not applicable in this case.*

M. G. Ackroyd
Internal Auditor

REPORT BY INTERNAL AUDITOR

THE ANNUAL AUDIT 2020/21 AND OTHER MANAGEMENT MATTERS

BISHOP AUCKLAND TOWN COUNCIL

BACKGROUND TO REPORT

Under the provisions of:-

- a) the Accounts and Audit Regulations 2015 Councils, and in accordance with
- b) the guidelines contained within the J.P.A.G. Document "The Governance and Accountability for Smaller Authorities in England - A Practitioners' Guide to Proper Practices to be applied in the preparation of statutory annual accounts and governance statements March 2019"

Councils, such as Bishop Auckland Town Council, should arrange for an independent and suitably qualified person to carry out an internal audit who, on the basis of an assessment of risk, should carry out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31st March.

The internal auditor is provided with a detailed checklist ("objectives of internal control") in the Annual Governance and Accountability Return (AGAR) 2018/19 – Part 3 to which he/she is asked to state if they Agree (YES), disagree (NO) or state N/A or Not Covered to each entry marked A-N on the checklist included in the return.

Such responses signify conclusions on whether, in all significant respects, each objective was being achieved throughout the financial year to a standard adequate to meet the needs of the council.

Under the relevant sections of the Audit Commission Acts auditors are required to report any matters which should be given formal consideration by the body or brought to the attention of the public.

CARRYING OUT THE AUDIT

As we were still in the pandemic period I conducted the audit via a series of Zoom sessions between 10th June -

Many matters during 2020/21 had been delegated to the Town Clerk under the following minute:-

F.C. 7.0/2020 Delegated Authority due to COVID Pandemic

"The Interim Town Clerk reported to members that following consultation with members in March the Mayor, Deputy Mayor, Chair of Finance in conjunction with Officers had been given delegated power to act in the best interest of the Council during this period. A report covering all financial payments was tabled for members to consider".

One further matter which I need to record is that during the financial year there were several changes of staff with 3 different Town Clerks and the departure of the Deputy Clerk. In addition there were far fewer Finance and other Committees.

In preparing my report I had to download a great many background papers, and spend more time with staff members than usual, due to these somewhat changing circumstances.

This will be reflected in my account when submitted.

FINANCE

The main dates identified during the audit were as follows:-

Approval of budget for the year ending 31st March 2022

A detailed report setting out the budget for 2021/22 was approved by the Town Council at its meeting held on 11th January 2021 (Minute No FC 104.02/2020 refers).

In summary

The Council Tax base for Bishop Auckland has decreased for 2021-22 by 1.8 compared to the 2020-21 which was 4166. This results in a reduction of £93.78.

The Local Council Tax Reduction Scheme Grant available to Bishop Auckland has also reduced for 2021-22 by £134.00.

This means that leaving the precept at the same level as 2020-21, results in a reduced precept for 2021-22 by £227.78.

The Council Tax Band D remained at £52.10.

I understand that since receiving their Council Tax demands no resident has queried the amount raised by the Town Council.

One matter which needs to be kept under review is the annual reduction in the Local Council Tax Reduction Scheme (LCTRS) grant which was reduced from £8909 to £8775 in 2021/22.

I was advised that the Durham County Council deadline for Precept demand was 21st January 2021 and the Town Council submitted its demand by that date.

Review of the Budget for 2020/21

I was advised that the Council continues to receive regular quarterly reports on its budget.

As the covid-19 pandemic seriously affected the the Council's business there were several areas of underpend and one significant are of overspend (the new offices).

Any significant variations with either income or expenditure will be reported by the Town Clerk to the External Auditor when submitting the Annual Return.

Reserves

The Council had healthy reserves of around £300,000 at the year end (31st March 2021) although some of the reserves are earmarked for further works required on the new offices (including a resurfaced and improved car park), the Parish Plan and other miscellaneous items. The total for these earmarked reserves is around £45,000 to £50,000.

I would estimate therefore that the Council's reserves at the year end (31st March 2022) could be in the order of £250,000.

I mentioned in my Report for 2019/20 the reserves were, at that time, substantial as a considerable amount was earmarked for the new Council offices. Matters have now moved on as the Council has secured its new offices (see comments elsewhere) which was mainly funded by a Public Works Loan Board loan and partly from the Council's reserves.

The search for the new offices is finally over, and the Council's running costs and capital programme is almost back to normal, then now might be the time to review the Council's annual precept.

When adjusted for earmarked expenditure I would estimate that the Council could have reserves of around £250,000 at the year end.

This amount is at the top end of what a Council would normally retain in its reserves ie around 6 months expenditure.

If the Town Council takes the view to retain the equivalent of 6 months running costs (estimated at £300,000 for 2021/22) this would result in adjusted end of year anticipated reserves of £150,000 + say £50,000 = £200,000.

These estimates would give scope for the Town Council to consider a reduced Precept for 2022/23 unless it is faced with any substantial unforeseen expenditure before then.

These comments are subject of course to the future outcome of the LCTRS Grant scheme.

Unpresented cheques

I was advised that there were 21 unpresented cheques at the year end including one issued to a local group in January 2021 under the Council's grant scheme. I understand that this has now been presented for payment.

Of the 21 unpresented cheques 18 were issued in the final 2 weeks of the financial year.

Payments and Income

I noted that for most, if not all, of the last financial year no details of any payments made, nor any income received, were included in either the Agenda sent out Councillors or displayed on the Council's website.

Whilst such schedules were handed out to Councillors at their Finance/Town Council Meetings the lack of including them with agenda / in the minutes is a departure from the Council's Financial Regulations (Para 5.2 refers as shown below). There is however some tolerance on personal payments.

5.2. The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices, present the schedule to the Finance Committee. The Committee shall review the schedule for compliance and, having satisfied itself shall authorise payment in accordance with limits detailed in para 4.1. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.

This oversight should be corrected immediately and schedules of payments and income should be attached to both agenda and minutes subject the possible exemption referred to.

I would add that most Councils I deal with include all payments and income on their agenda / in their minutes.

General deposits

The Council now holds its reserves in 6 separate accounts, earning fairly nominal rates of interest, some of which I understand can be accessed at reasonably short notice.

As the Council will be aware the Financial Services Compensation Scheme (FSCS) covers the first £85,000 in appropriate cases and I was advised that all the Council's deposits are held by banks etc covered by this

scheme.

However I understand that the amount held with one, or more Banks ,exceeded £85,000 particularly at the time when the annual Precept was received from the County Council.

I would advise that the Council should, where appropriate, transfer funds between banks in order to avoid exceeding the FSCS cover (subject to the appropriate notices being given).

HMRC Real Time Payments

I was advised that such payments are up to date and that no queries have been received from HMRC.

Expenditure greater than £500

I carried out a random check on several payments over £500 net of vat and found that they were all recorded on the relevant schedule of such payments.

Recovery of VAT

I carried out a random check and found that all payments made on those invoices checked had been recovered from HMRC.

I was advised that £2921.15 of vat was outstanding for 2019/20 but was recovered during 2020/21.

I was also advised that £2309.23 of vat payments were outstanding for 2020/21 but these will be claimed during 2021/22.

I did however have some difficulty in cross referencing some of payments made as reports to the Council on payments seldom show vat.

I have asked that this be changed for future reports to the Council.

Bank Charges

I was advised that no bank charges had been incurred by the Council during 2020/21 although there had been one transaction which required correction by the Bank concerned although this was quickly rectified.

Cheque counterfoils

I carried out a random check on both of the Council's current account cheque books and found that all counterfoils had been signed by 2 designated Councillors and that there were matching transactions on the Bank statements.

Debit card used by the Clerk

I understand that in accordance with the approval contained within the Council's Financial Regulations the Clerk used the Council's Debit card on a substantial number of occasions during in 2020/21 and that these had all been reported back to the Council.

I was advised that the maximum payment made in any one transaction was around £130.00

I was further advised the Council has now agreed to a maximum payment in any one transaction of £500 subject to certain safeguards.

Cash transaction

I noted that owing to exceptional circumstances the Town Council made 2 cash payments (amounting to £284.00 each) for the hire of 2 skips.

Whilst Para 6.21 of the Council's Financial Regulations state *Any payments made in cash by the Clerk for example for postage or minor stationery items shall be refunded on a regular basis, at least quarterly*, these payments were not really of this nature.

Whilst I do not condone such transactions, as they fall outwith the Council's Financial Regulations, I am satisfied that the Clerk had little option to take this action and had carried out the appropriate consultations to support her actions.

The payment was reported to the Town Council at its Meeting held on 22nd October 2020. It would have been advisable to have include a short note in the report outlining the circumstances behind the cash payments, the consultation with the Chairs of Allotments and Finance and the authority to proceed obtained. I understand that the Town Clerk will report on this comment at an early meeting of the Council.

This situation should not be repeated – see Debit Card below.

Debit Card

That said as the Town Clerk now has the use of a Debit Card for purchases for up to £500 it is unlikely that any similar situation should arise in the future.

QUOTATIONS

General comment

I understand that the Council maintains the same arrangements for dealing with estimates/quotations/tendering as follows:-

- i) £1,000 - £ 2,499 (net of vat) strive to obtain 3 estimates
- ii) £2,501 - £25,000 (ditto) 3 written quotations obtained
- iii) £25,001+ - 3 or more tenders obtained

I was advised that quotations for one matter only were agreed for a contract worth under £1000 as follows:-

BATC Town Council Meeting 11 February 2021 IT System for Finance

3 quotations considered. Decided option 3 – see minute No. FC 118.01/2020

However during 2020/21 some work had been placed with contractors via the County Council's procurement service.

In addition there was one previous scheme where quotes had been obtained during 2019/20 but only commenced in March 2001 due to the illness of the contractor.

The contract was:-

Mill Race Allotments – Water Supply

Contractor - Teesdale Building and Construction

Hanging Baskets

I understand that there were 26 hanging baskets provided and watered by Durham County Council

DONATIONS / GRANTS

A reminder of the main conditions:-

To ensure that fair and proper consideration may be given to all requests, the Council requires the following to be submitted:

- ☑ A completed application form
- ☑ The most recent income and expenditure account
- ☑ Constitution or rules of the organisation
- ☑ Any additional information the organisation considers will support their application. If the organisation is new, with no income and expenditure accounts, a financial projection is to be submitted for the current financial year.

I was advised that 6 applications had been received during the year, of which 5 were successful.

I checked 2 of the approved applications and whilst one, from the Bishop Auckland Rugby Club, was approved it has yet been taken up by the Club.

However I had some concern over another application as follows.

Bishop Auckland Music Society

The Society submitted a request for £600 towards the cost of servicing/repairing a Steinway piano.

The Council's limit is £500.

The Society produced an income and expenditure for February 2019 to January 2021 which showed income of over £9000 and expenditure of over £8150. The actual trading surplus was recorded as £876.

However on a further slightly blurred copy statement from Barclay's Bank it was indicated that the Society's balances were in excess of £8,000. Whilst it was difficult to read the date of the statement it did appear to be as at the date of the application.

The application was not supported by any form of long term plans and I could only assume that, other than the Society's usual income and expenditure items, there was nothing major proposed for the foreseeable future. I could of course be wrong with this assumption.

I therefore came to the view that the Council had been generous in awarding £400 to the Society at a time when it appeared to have access to adequate reserves to more than cover this cost.

Whilst appreciating that the Council wishes to support local causes whenever it can I would strongly advise that it should include additional checks to cover this point in the application terms and conditions as referred to above.

In future applicants should be asked to include a copy of their immediate and long term plans with an indication as to how these would be funded.

Also I noted that when awarding any grants no mention was included in the minutes the power under which an award had been made. In recent years the majority of these have been made under Power of

Competence contained within the Localism Act 2011.

However for the reason set out in the following paragraph grants made in 2020/21 were under the powers contained within Section 137 of the Local Government Act 1972

POWER OF COMPETENCE

As stated in the previous paragraph the Council has, following the local elections held in May 2017, used the Power of Competence to award grants.

As the current Town Clerk does not yet have the CiLCA qualification then the Town Council no longer meets the relevant criteria required under the Act to use this Power.

INSURANCE

Premium

The Town is now into year 2 of a 3 year contract with CAS Ltd.

The only major changes in cover that I noted was the increase on the Fidelity Guarantee Cover (see below) and the inclusion on the Kingsway premises (see below).

Premises cover

I understand that cover is in place for the Kingsway offices for an amount of £360,500. However there is no indication how this was calculated and, as a minimum cover, it should be the full reinstatement cost and an adequate sum added to cover demolition costs, site clearance costs, other site works and, not least, any fees relating to the rebuild.

Unless there is any evidence that this information was obtained previously I understand that the Town Clerk will now seek approval to obtain a reinstatement valuation from a Quantity Surveyor plus an estimate of any additional costs as mentioned in the previous paragraph.

In addition there could be some business interruption costs involved but these might be under a separate cover in the policy.

Equipment cover

I understand that the Council's policy includes a Banded Cover for Assets – All Risks Cover (excluding the offices) for up to £50,000.

The only query I have on the items covered relates to the skatepark floodlights. Are these owned by the Town Council or Durham County Council. The Town Clerk to clarify this.

Fidelity Guarantee Cover

I understand that the cover has been increased to £500,000. There was a short period at the start of 2021/22 when the Council had over this amount in its various accounts (£557,000) which is within the new Fidelity Guarantee Cover limit.

Given the Council's budget it is unlikely that the Council's bank deposits will exceed the new limit but this needs to be kept under review.

Asset Register

I was advised that the latest review included some additional pcs and the new offices.

I also raised the query as to whether the Register should be on the Council's website. This will be looked into.

Claims

I was advised that no claims were made by or against the Council during 2020/21.

Trees

I was advised that due to the covid-19 pandemic no tree survey work was carried out on any of the Council's sites.

I would recommend that this work is undertaken this year and that a check is made as to whether there are any issues still outstanding regarding any overhanging branches from the railway line which adjoins one of the allotment boundaries.

I would recommend that the Council raises this matter with the Weardale Railway Company.

Business Interruption

I was advised that whilst there is cover in place for this risk that the Council has not felt it necessary to make a claim for business interruption.

This should be kept under review until the current pandemic is beginning to ease.

PATS

I noted that an inspection had not been carried out by a qualified electrician since October 2018 on 2 items of equipment which have been transferred from the former offices to the Council's new headquarters.

I was advised that this will be arranged as soon as possible.

NEW TOWN COUNCIL OFFICES

The new offices

Since my previous report the Council has now moved into its new offices although there are still some outstanding issues which have been reported to the Accommodation Committee.

I understand that the Council has kept back a retainer of around £4,000 to cover any snagging issues and I was advised that this should be sufficient.

Car Park

Whilst there is car park attached to the premises I was advised that the Council is looking to upgrade the carpark.

Future Leases on the property

I was advised that there might be some surplus accommodation which could be let.

If that is the case I would reiterate my comments for the 2019/20 Audit that if it is intended to arrange any

such lettings I would advise that wherever possible separate meters are installed particularly for any gas/electricity serving the premises.

If it is intended to let any accommodation on a formal lease, and include a service charge, then it would be advisable to make any lessee responsible for their general rates (once determined by the Valuation Officer).

In certain circumstances the Council might be exempt from general rates, under the Small Business Rate Relief Scheme (SBRS) if the Rateable Value falls between £12,500 and £15,000. I was however advised that the new offices have been valued by the Valuation Officer at a figure of just over £8000 RV.

I noted that there wasn't an allowance in the budget for any business rates which might be charged on the Kingsway premises. This needs to be checked annually in case the SBRS is withdrawn at any time.

FOOD FESTIVAL 2020

I understand that this was cancelled due to the covid-19 pandemic. This resulted in a £10,000 underspend on this item.

However as stated in my previous report when a Festival is proposed the Council should request a financial statement from the County Council for the cost of running this event in order to be satisfied that it is a loss leading event but still providing value for money as a community based event.

EVENTS

Again due to the covid-19 pandemic there were no major events held this year.

MINUTES

Minute Nos

The minutes for the Town Council are now prefixed with F.C. rather than T.C.. I understand that the Town Clerk will revert back to F. C. for Finance Committee and T. C. for Town Council for future minute numbering.

Minor issues

I noted several spelling mistakes and other errors in some minutes. I would suggest that all reports should be spell checked/proof read before being released.

Signing Off

I randomly checked a few pages of some older minutes and found that they had all been signed and dated by the Chairman.

ALLOTMENTS

I was advised that there are currently only two allotments available on the Council's sites and that there are around 30 names on that the Waiting List.

I understand that the Council has resolved not to increase the allotment rent for 2022.

As mentioned under Quotations drainage works are being carried out on the Mill Race allotments.

Some progress is being made on the pest issue on some of the Council's allotments. Currently there are 2 separate contracts operating for pest control in these areas which, due to the covid-19 lockdown, are short

term extensions of original contracts which lapsed recently.

I was advised that the Allotment Committee will shortly be inspecting the allotment sites to consider a range of management issues, including the future use of a large area of some overused allotments, the general management of the site and the pest control contract referred to previously.

As stated previously at some stage the Council might wish to consider transferring the management of the Woodhouse site to an Allotment Association for them to look after the site on behalf of the Council.

INCOME RECEIVED IN 2020/21

The Council received various income streams from:-

- a) The annual Precept
- b) LCTRS grant
- c) Allotment rents
- d) Grant from the County Council towards the Community Toilet scheme
- e) Interest on bank accounts

COUNCIL WEBSITE

In addition to the other matters raised in my report I also mentioned the possibility of an Index being added to the website to make navigation a little easier.

ANNUAL REVIEWS

Review of Asset Register

Reviewed and approved at a Council Meeting held on 27th August 2020 (Minute No .F.C. 33.0/2020 Asset Register).

Review of the Effectiveness of Internal Controls

Reviewed and approved at a Council Meeting held on 16th March 2021 (Minute No TC 130.4/2020).

Review of Risk Management

Reviewed and approved at a Council Meeting held on 16th March 2021 (Minute No TC 130.5/2020).

Review of Audit Planning

Reviewed and approved at a Council Meeting held on 16th March 2021 (Minute No TC 130.4/2020).

OTHER MATTERS

Members Training

I noted that staff had attended several training sessions during 2020/21 and training sessions are being arranged for new Councillors following the recent Elections.

It is possible that some of the Councillors from the outgoing Council are still to attend some training sessions. They should be encouraged to make the effort to attend any suitable courses.

Staff Pay Scales

In accordance with best practice the Council should review the staff salaries annually particularly at this time when the resignation of the former Clerk, transferring to new premises and the Covid-19 pandemic has involved some members of staff in additional work.

RECOMMENDATIONS

I have divided these into 3 categories of Essential, Desirable and Other

ESSENTIAL

These must be dealt with as soon as possible and they are of such a nature that I will have to respond NO in Box B of the Annual Internal Audit Report.

When submitting the AGAR form to the External Auditor I believe the Council will have the opportunity to pass comment on my concerns.

A) BANK DEPOSITS

The Council need to review its bank deposits to ensure as far as possible that not more than £85,000 is held with one Bank or associated Banks providing they are covered by the FSCS

B) STATEMENTS OF PAYMENTS/INCOME REPORTED TO THE COUNCIL

To comply with its own Financial Regulations the Council should have such statements attached to its Agenda (where included) and on its Minutes. Subject to the possible exception of personal information.

C) GRANTS

The Council should consider amending its Application Terms and Conditions so that applicants should include a copy of their immediate and long term plans with an indication as to how these would be funded.

DESIRABLE

The Council should consider these matters as priority issues.

1) Future Precepts

To consider whether the Council's Reserves are at such a level at the time of determining its Precept for 2022/23 that the Council could consider a reduction in its Precept.

This is of course assumes that no additional projects are contemplated by the Council under any 3 or 5 year long term plan it might then be considering.

2) VAT

To state in future reports to the Council whether any purchase/quotation is inclusive of vat.

3) Insurance cover for the Kingsway premises

a) The Town Clerk to clarify the basis of reinstatement valuation applied to the premises and if

necessary engage the services of a Quantity Surveyor to prepare a valuation including all the ancillary costs referred to elsewhere in my report.

- b) The Town Clerk to clarify the ownership of the skatepark floodlights for both the asset register and insurance cover purposes.

4) The New Offices

Before granting any leases out on the new accommodation the Council should clarify whether the new premises qualify for the Small Business Rate Relief scheme.

If so any such leases should make the lessees responsible for their own general rates rather than be included in a general service charge which might work against the Council if it does not itself pay general rates.

OTHER

The Council should incorporate these recommendations into its programme of work for 2021/22.

5) Trees

To continue with the commissioning of annual surveys (unless the Council's Tree Surgeon recommends otherwise).

To contact the Weardale Railway Company re the overhanging branches next to the Pollards allotments.

6) Food Festival

The Council should, whenever a Food Festival is proposed, request a financial statement from the County Council for the cost of running this event in order to be satisfied that it is a loss leading event but still providing value for money as a community based event.

7) Members Training

All Councillors should endeavour to attend suitable training sessions.

8) Staffing matters

The Council should review staff salaries on a regular basis particularly at this time when the Council has been without a new Clerk for some time, transferred its offices and has had to deal with some of issues arising during the Covid-19 pandemic.

9) Website

Apart from the other matters raised regarding the website the Town Council should consider an Index being added to make navigation a little easier.

INTERNAL AUDITORS RESPONSE TO THE AGAR

Following a detailed discussion with the Clerk, and having reviewed a range of documents and other

records, I came to the conclusion that I could response **YES** to each of the objectives identified by the external Auditor except for Box B which for the reasons stated is **NO** and for Boxes K and L where “Not Covered” is the appropriate response.

That said I would hope that by the date of next year’s audit further that improvements have been made to the Council’s financial affairs, as outlined in this report.

QUALIFICATIONS ON THE AUDIT

My report is based on a limited review of the Council’s accounts and was not a full audit and should not be taken as approving the Council’s accounts 2020/21.

The purpose of this report is to be satisfied that the Council has adequate systems in place to meet the numerous control objectives sought by the External Auditor and to recommend possible improvements to the Council’s existing systems.

My thanks to the Town Clerk and the Admin Assistant in carrying out this audit.

M. G. Ackroyd
Internal Auditor

16th June 2021
21st June 2021