

Kendal Town Council

Town Hall, Highgate, Kendal LA9 4ED
www.kendaltowncouncil.gov.uk



9 October 2023

To Members of the Audit Committee

Cllr S Coleman	Cllr L Edwards
Cllr J Dunlop	Cllr M Helme
Cllr D Evans	Cllr D Rathbone (Vice-Chair)
Cllr C Russell (Chair)	Two vacancies

You are summoned to a meeting of Kendal Town Council Audit Committee on Monday, 16 October 2023, at 7.30 p.m., in the Council Chamber at the Town Hall, Highgate, Kendal.

(Distributed to other Members of the Council for information only.)

Yours faithfully

Chris Bagshaw
Town Clerk

AGENDA

Public Participation

Any member of the public who wishes to ask a question, make representations or present a deputation or petition at this meeting should apply to do so before the commencement of the meeting. Information on how to make the application is available on the Council's Website - <http://www.kendaltowncouncil.gov.uk/kendal-town-council/statutory-information/guidance-on-public-participation-at-kendal-town-council-meetings/>. The public are not permitted to speak in other parts of the meeting unless allowed to do so by the chair.

1. Apologies

To receive and accept any apologies. If accepted, apologies will be considered to be for reasons approved by the council under the terms of Local Government Act 1972, s85.

2. Declarations of Interest

To receive declarations by members and/or co-optees of interests in respect of items on this agenda.

3. Exclusion of Press and Public (Public Bodies Admission to Meetings Act 1960)

To consider whether there are any agenda items during consideration of which the press and public should be excluded.

4. Minutes of the Last Meeting (pages 3 to 8)

To receive the minutes of the meeting of the former Audits, Grants and Charities Committee held on 10 July 2023 to authorise the Chair to sign them as a true record (see attached).

5. Minute Action Sheet (pages 9 to 10)

To consider a report on actions taken by officers on resolutions or recommendations made at previous meetings (see attached).

6. New Terms of Reference (page 11)

To consider the Committee's revised Terms of Reference and consider any actions required.

Background

The Audit Committee inherited its role in overseeing the Audit of the Council's activities from the previous Audit, Grants and Charities Committee. The new Terms of Reference are attached.

7. 2023/24 Budget Monitoring (pages 12 to 24)

To receive a report on the Council's budget and expenditure to the second quarter, to the end of September 2023 (see attached).

8. Bank Reconciliation (page 25)

To receive and note the bank reconciliation statements to Sept 2023.

9. External Audit (page 26)

To receive and consider the report from the Council's External Auditor for the year 2022-23.

Note

Currently (Monday 9 October) the External Auditor has not submitted the Council's Audit Report. Instead they have offered an 'interim statement', confirming that they have not completed the report within the statutory timescale. This statement has been published on the Council's website to maintain the Council's requirement for publishing within the statutory timescale (see attached). If the External Audit report is submitted prior to the meeting it will be circulated and published accordingly.

10. Tax Investigation Insurance Scheme (pages 27 to 30)

To consider a Tax Investigation Service offered by RfM to protect the Council from the professional costs, stress and uncertainty brought about by an HMRC enquiry (see attached).

11. Internal Audit (pages 31 to 42)

To consider the Council's arrangements for Internal Audit and to make any necessary recommendations (see attached).

12. Financial Regulations and Governance Arrangements Next Steps

To consider the next steps in the Council's appraisal of its governance arrangements, following the adoption of new Financial Regulations.

Background

The Council adopted new Financial Regulations in June, based on the NALC 2019 Model Financial Regulations. The Audit Committee should keep the Financial Regulations under review. A new model is being drafted by NALC currently and the Clerk will report on the progress of their current consultation on this matter. The Committee may wish to set out such other steps in the Council's governance arrangements as it sees appropriate.

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Minutes of a meeting of the Audit, Grants and Charities Committee on Monday, 10 July 2023, at 7.00 p.m. in the Council Chamber at the Town Hall, Highgate, Kendal.

Cllr S Coleman	Present	Cllr J Dunlop	Present
Cllr L Edwards	Present	Cllr D Evans	Absent
Cllr M Helme	Apologies	Cllr C Russell (Chair)	Present
Cllr D Rathbone (Vice-Chair)	Present		

In attendance: Chris Bagshaw (Town Clerk) and Inge Booth (Democratic Services Assistant), and one Member of the Public, Annie Alison, in relation to Agenda Item No.11(a) (Grant Applications – Drum Nation) (Minute No.AGC5/2023 below).

AGC1/2023 Apologies

An apology for absence was received and accepted from Cllr M Helme.

AGC2/2023 Declarations of Interest

Cllr L Edwards declared an interest in Agenda Item No.11(e) (Grant Applications – Kendal Youth Zone) (Minute No.AGC5/2023 below), by virtue of the fact that she was a member of the Kendal Youth Zone Committee. She left the Chamber during the discussion and voting on that particular grant application.

AGC3/2023 Exclusion of Press and Public (Public Bodies Admission to Meetings Act 1960)

No issues were considered for exclusion.

AGC4/2023 Minutes of the Last Meeting

Resolved: To receive the minutes of the Audit, Grants and Charities Committee held on 17 April 2023 and to authorise the Chair to sign them as a true record.

AGC5/2023 Grant Applications

The Town Clerk presented a report, attached to which was a summary of all the grants paid in the last financial year. The current budget allocation was shown in the Budget Monitoring statement attached to agenda. The report further drew attention to the grants criteria which were available on the Council's Website. Members were being asked to consider a number of grants, details of which were provided.

The Town Clerk provided an explanation with regard to the Committee's current budget allocation of £43,000. Attention was drawn, however, to existing commitments of around £20,000 in relation to three-year deals. Members expressed the need moving forward for the Committee to be provided with a table showing a breakdown of the budget, for example, funds for the year, existing commitments and the amount of funding which remained for the

year, although it was recognised that the responsibility for grant funding may in due course be taken on by a different committee. In this context, it was suggested that of importance was the need for that committee to examine the whole aspect of the style of the application form to ensure that clear details were in future sought on what each individual grant was to be spent on.

Resolved: Moving forward, the committee with the responsibility for consideration of grants to be provided at each meeting with a table showing a breakdown of the budget including, for example, details on funds for the year, existing commitments and the amount of funding remaining.

Resolved: Moving forward, the committee with the responsibility for consideration of grants to examine the format of the grant application form to ensure that clear details are sought on what each individual grant is to be spent on.

During consideration of the first grant, the question of how to distribute the entire grants budget fairly over the year was raised. Of initial importance, it was felt, was the need in future for each meeting to be provided with a table summarising all those applications included within the agenda.

Resolved: A table summarising all applications included within the agenda to be provided in future to each meeting of the committee considering applications.

The fact that the Audit, Grants and Charities Committee held four meetings each year was highlighted. To this end, it was proposed that no more than one quarter of the budget of £23,000 should be granted at this particular meeting, i.e. around £6,000. The Town Clerk expressed the opinion that, moving forward, grants applications should be looked at twice yearly, with the process being advertised well in advance. By way of caution, attention was drawn to late applications which had been submitted in previous years and to the fact that not always enough money remained in the budget. It was also suggested that organisations granted funding early in the year should not be precluded from making further applications later on in each year.

Resolved: To consider total funding of £6,000 at this meeting, first reviewing all of the applications prior to allocation a grant figure to each one as felt appropriate.

During consideration of the applications, the Council's grants criteria were questioned around not offering grants in relation to ongoing running costs. It was noted that there were, in fact, a number of organisations which were offered grants on an annual basis, and that it was vital that this was addressed. To this end, Members stressed the importance of reviewing the grants criteria and for Council to adopt an updated policy, in order to maintain clarity and transparency.

Resolved: To review the Council's grants criteria in order for Council to consider and adopt an updated policy.

The Committee next considered whether or not to make grants, as follows:-

- (a) Drum Nation for a contribution of £4,978 towards offering ten free samba drumming gigs to groups and organisation within the Kendal area.

Discussion took place around whether the funding would be used to fund events in Kendal, why Drum Nation could not run the events without a grant and the fact that beaters would need to be purchased in any case. Annie Alison of Drum Nation, being present at the meeting as a member of the public, was asked to address the

Committee. She explained that, whilst most member of the band owned their own equipment, a stock of drums and other essential equipment was kept for the workshops which were run by the organisation. This equipment often became damaged and needed replacing. Members of the group paid a membership subscription which was mostly used for travel. Annie further explained that events were becoming more cost challenging and pointed out that some were not even charged for. She also provided details in relation to funding received from other organisations, including on national lottery funding which was for a specific project in Carlisle. Members acknowledged the work carried out at events by Drum Nation and were, on the whole, of the opinion that a grant should be made.

- (b) Kendal Breastfeeding Drop-in Group for a contribution of £5,000 towards securing the future of the group for a whole year. The funding would be spent as follows:-

- £690 Room Rent (£15 per week for 46 weeks)
- £110 Refreshments (tea, coffee, cold drinks, snacks)
- £200 Volunteer training
- £4,000 Professional fee for Breastfeeding Counsellor (c£87 per session for 46 weeks) This fee is significantly below the 'going rate', which would be closer to £200 per session. The Counsellor offers much of her work on a voluntary basis / discounted rate, in order that the group can come close to meeting local need.

Regret was expressed at the fact that this organisation needed to seek assistance in this way, Members noting that this type of support would previously have been provided by the National Health Service. Members acknowledged the need for such a service and the worthwhile work being carried out by the organisation. The fact was, however, raised that the application was in relation to the organisation's ongoing running costs which did not meet the Town Council's grants criteria. In addition, there was some question as to whether the funding was aimed solely at users in the Kendal area. It was suggested, therefore, that the organisation should be advised that Members had expressed support for the work of the organisation and that the group might return with an application for a grant in relation to a specific project, also indicating how Kendal users were being targeted.

Resolved: To make no grant to Kendal Breastfeeding Drop-in Group, however, to advise the organisation that the Committee is supportive for its work and that the group might consider returning with an application in relation to a specific project, also indicating how Kendal users are being targeted.

- (c) Kendal Community Theatre for a contribution of £1,500 a year.

The Committee discussed whether the application related to a specific project or to the organisation's ongoing running costs. It was suggested that the funding was in relation to specific events. Whilst it was noted that one of the events had already taken place, it was pointed out that the application for grant funding had been made in March 2023. Attention was drawn to a number of gaps in the application form. Despite this, Members were of the opinion that a grant should be made.

- (d) Kendal Photography Club for a contribution of £500 towards buying new IT equipment to replace an aged laptop and projector which no longer meets the club's requirements.

The Committee noted that the grant application was for equipment and not for ongoing costs and Members were of the opinion that a grant should be made.

Note - Cllr L Edwards declared an interest in the following grant application by virtue of the fact that she was a member of the Kendal Youth Zone Committee. She left the Chamber during the discussion and voting on the application. In order to avoid Cllr Edwards having to leave the Chamber twice, Members proposed considering both whether to make a grant to the organisation and, if appropriate, to make a decision on the figure to be offered.

(e) Kendal Youth Zone for a contribution of £498.97 towards:-

- Xbox Game Pass 12 months - £70
- Bimawen 17.3 inch Portable Monitor £169
- Xbox Wireless Controller – 349.98
- Xbox Series - £209.99.

Members expressed support for the work of the group and proposed that the full amount be offered to the organisation.

Resolved: To offer a grant of £499 to Kendal Youth Zone.

Cllr L Edwards on returning to the Chamber informed Members that the group was trying to become a registered charity.

(f) South Lakeland Hydrotherapy Trust for a contribution of £3,000 towards enabling the Trust to cover the running costs of the pool.

Members noted that this application was in relation to the running costs of the organisation and raised the fact that rules should be applied consistently. However, the fact that funding was granted on an annual basis to a number of other organisations in Town was raised, for example Brewery Arts and the Citizens' Advice Bureau. South Lakeland Hydrotherapy Trust had been provided with a grant every year and was an institution that was part of the framework of the Town. Members believed that the Town Council's continuing support offered vital leverage for funding contributions by other organisations. To this end, it was felt that a grant should be made.

(g) Outside In for a contribution of £4,800 to support their work with Pupil Premium children in Kendal.

Members were keen to offer support to this organisation and to make a grant.

The Committee having reviewed each of the applications, next considered distribution of the funding of £6,000, and it was subsequently

Resolved: To offer grants to the following organisations as shown:-

- Drum Nation - £1,500.00
- Kendal Community Theatre - £500.00 for one year
- Kendal Photography Club - £500.00
- South Lakeland Hydrotherapy Trust - £1,500.00
- Outside In - £1,500.00

Resolved: To make clear to Kendal Community Theatre that the £500.00 grant is for one year only but that the organisation is welcome to re-apply for a further amount at a later stage.

AGC6/2023 Minute Action Sheet

Members considered a report on actions taken by officers on resolutions or recommendations made at previous meetings.

The need for items on the Minute Action Sheet to be given reference numbers was raised.

AGC37/2022 (2022/23 Budget Monitoring) and AGC47/2022 (Minute Action Sheet) – Discussion took place on the importance of finance training for Members and the need to ensure that they were suitably equipped to carry out their roles as councillors. Attention was drawn to the difficulties in registering for CALC virtual training sessions. In addition, the need for a record to be kept of Members' attendance at training sessions was raised. Suggested was the potential to approach CALC with a view to establishing clearer instructions on how their training programme could be accessed. In addition, the option to consider bespoke financial training for Members of the Audit, Grants and Charities Committee was raised. Stressed was the need to set up training in a way that would maximise Member attendance. By way of caution, the need to recognise the existing skill set of Members was pointed out, including the fact that Town Council Members were all volunteers, some of whom worked, and so may not be able to commit to training sessions. It was felt that some form of support should be offered to all Members to ensure that they felt confident in managing their financial responsibilities.

Resolved: To seek some form of support to be offered to all Members to ensure that they feel confident in managing their financial responsibilities.

Resolved: To note the report.

AGC7/2023 2023/24 Budget Monitoring

The Committee considered a report on the Council's budget and expenditure for the first quarter, to the end of June 2023. The Town Clerk explained that the Committee's budget was allocated in its entirety to grants and that nothing had been spent to date in the current financial year.

It was suggested that basic budget training might be provided by the Town Clerk to a small group of Members of the Audit, Grants and Charities Committee. The Town Clerk also drew attention to an aspiration to make the Town Council's finance system available for all Member to view electronically and undertook to report on this at the next meeting.

Resolved: Basic budget training to be provided by the Town Clerk to a small group of Members of the Audit, Grants and Charities Committee.

Resolved: To bring a report to the next meeting on the potential of making the Town Council's finance system available for all Members to view electronically.

Resolved: To note the report.

AGC8/2023 Budget Planning

The Chair sought an update on progress in relation to the budget process for 2024/25.

Note – At 9.00 p.m., in accordance with the Council's Standing Orders No.3 Meetings Generally x, a meeting shall not exceed a period of 2 hours, the Committee voted to continue the meeting.

The Town Clerk explained that this matter had already been given serious consideration by the Management Committee and pointed out that the Council was about to consider and vote on a change in structure and a regrouping of committees. Following this, work would be required by officers in dividing up budgets between the new committees. Subject to approval of the proposed structure, the Audit, Grants and Charities Committee, in its new format, would consider its budget at its next meeting.

Resolved: Subject to approval by Council of the proposed committee structure, a report on the budget to be brought to the next meeting of the Audit, Grants and Charities Committee in its new format.

Resolved: To note the verbal update.

AGC9/2023 Internal Audit

The Town Clerk presented the report from the Internal Auditor in relation to the audit for the year ended 31 March 2023, which had been considered and accepted by Council at its meeting on 5 June 2023. The Town Clerk explained the timetabling issues in relation to consideration of the document. He drew attention to the Internal Control Objective regarding publication of the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation. He informed the Committee that he had advised External Audit that this would be covered with Internal Audit in an interim review at six months, adding that an interim review should be carried out as a matter of course.

Members welcomed the proposal for a six month interim review which, it was pointed out, was industry standard.

Resolved: To endorse the Town Clerk's proposal for a six month interim review.

Resolved: To note the Internal Auditors' Report 2022/23.

AGC10/2023 Financial Regulations and Governance Arrangements Next Steps

The Town Clerk confirmed that the Financial Regulations had been adopted by Council on 5 June 2023. Processes and policies relation to those regulations were now in the process of being developed by officers.

Resolved: To note the verbal update.

The meeting closed at 9.04 p.m.

Audit, Grants and Charities/Audit Committee - Minute Action Sheet - as at 09-10-23								
Ref. No.	Meeting Date	Minute No.	Title	Action (Resolution)	Officer Responsible	Deadline, if any	Date Actioned	Comments
1	20/03/2023	AGC37/2022	2022/23 Budget Monitoring	To note the report, and consider how familiarising Councillors with the Council's financial management processes might be best achieved.	CB		May-23	This process is ongoing as a part of the council's review of policies and procedures.
2	17/04/2023	AGC48/2022	Audit Grants and Charities Overview of Policies and Actions	To look into methods by which to improve publicity and the process of applying for grant funding.	CB			Officer meeting in July to review methods and procedures. Awaiting outcome of
3	17/04/2023	AGC49/2022	2022/23 Budget Monitoring	To look into the matter of nominal codes for Kendal Futures.	CB			Under review and awaiting outcome of committee changes.
4	17/04/2023	AGC49/2022	2022/23 Budget Monitoring	To consider ways in which to improve nominal codes.	CB			Under review
5	17/04/2023	AGC49/2022	2022/23 Budget Monitoring	To review the area of the larger and smaller elements relating to, for example, staffing costs, with a view to filling out detail.	CB			Under review
6	10/07/2023	AGC6/2023	Minute Action Sheet	To seek some form of support to be offered to all Members to ensure that they feel confident in managing their financial responsibilities.	CB			As staff time allows
7	10/07/2023	AGC7/2023	2023/24 Budget Monitoring	Basic budget training to be provided by the Town Clerk to a small group of Members of the Audit, Grants and Charities Committee.	CB			As staff time allows
8	10/07/2023	AGC7/2023	2023/24 Budget Monitoring	To bring a report to the next meeting on the potential of making the Town Council's finance system available for all Members to view electronically.	CB		09-Oct-23	Process in trial

9	10/07/2023	AGC8/2023	Budget Planning	Subject to approval by Council of the proposed committee structure, a report on the budget to be brought to the next meeting of the Audit, Grants and Charities Committee in its new format	CB		09-Oct-23	On agenda
10	10/07/2023	AGC9/2023	Internal Audit	To endorse the Town Clerk's proposal for a six month interim review.	CB			Process of identifying candidates has begun, but is delayed due to staffing issues.

Kendal Town Council

Agenda Report

Committee: Audit	Meeting Date: 16 October 2023
From: Town Clerk	Agenda No: 6
Description: New Terms of Reference	

The Committee has been re-named with new Terms of Reference coming in to effect from 1 October. The new terms re-focus the Committee's attention on the Council's governance, rather than in making spending decisions itself. Grant making is now the job of the Culture and Communities Committee, which merges this function with the duties of the former Christmas Lights and Festivals Committee.

A lot of the Committee's work is described in the Practitioners' Guide, from the Joint Panel on Accountability and Governance. Members of the Committee have been sent pdf copies of the latest edition of this document.

Audit Committee

Consists of 9 members.

- To develop and maintain the Council's financial controls, including reviewing the Council's Financial Regulations.
- To maintain the Council's compliance in all aspects of regulation, governance and statute and to make any necessary recommendations for policy where this affects the operation of other committees and the council.
- To develop and maintain the appropriate management of the Council's Schedule of Assets.
- To oversee the proper maintenance of Risk Management and other policies, including safe and healthy working practices and the review of the effectiveness of the Council's internal controls.
- To appoint Internal Auditors and review their effectiveness.
- To receive the budget control statements and monitor the financial performance of each committee.

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Kendal Town Council
Annual Budget - By Centre (Actual YTD Month 6)
Note: Full Budget Statement

		<u>22/23</u>		<u>23/24</u>				<u>24/25</u>		
		Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
100	<u>Income</u>									
1076	Precept	502,285	502,285	567,997	283,999	567,997	0	0	0	0
1077	SLDC Grant	34,147	34,147	33,046	33,047	33,046	0	0	0	0
1080	Bank Interest	1,320	1,091	4,000	3,528	4,000	0	0	0	0
1090	CIL Receipts	68,176	68,176	85,000	84,138	85,000	0	0	0	0
1100	Allotment Rent	22,000	23,746	23,500	18,990	23,500	0	0	0	0
1999	Other Income	0	0	0	563	0	0	0	0	0
	Total Income	627,928	629,446	713,543	424,264	713,543	0	0	0	0
6001	less Transfer to EMR	0	68,176	0	84,138	0	0	0	0	0
	Movement to/(from) Gen Reserve	627,928	561,269	713,543	340,126	713,543		0		
200	<u>Staffing Costs</u>									
4000	Staff Gross Pay	242,000	254,868	276,730	132,335	280,000	0	0	0	0
4001	Staff GP Childcare V	0	1,235	120	60	120	0	0	0	0
4055	Travel	0	480	500	45	100	0	0	0	0
4060	Staff Mobile Phone	0	131	150	47	47	0	0	0	0
4065	Staff Expenses	0	156	500	23	100	0	0	0	0
4070	Staff Training	3,000	1,377	2,000	510	700	0	0	0	0
	Overhead Expenditure	245,000	258,248	280,000	133,020	281,067	0	0	0	0
	Movement to/(from) Gen Reserve	(245,000)	(258,248)	(280,000)	(133,020)	(281,067)		0		
210	<u>Premises & Accommodation</u>									
4100	Premises - Service&Rent Charge	18,000	13,639	13,700	7,650	13,700	0	0	0	0

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Kendal Town Council
Annual Budget - By Centre (Actual YTD Month 6)
Note: Full Budget Statement

		<u>22/23</u>		<u>23/24</u>				<u>24/25</u>		
		Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
4110	Premises Telephones	0	100	200	100	200	0	0	0	0
4115	Premises Garage Rent	0	1,083	2,600	2,600	2,600	0	0	0	0
4120	Premises Garage Electricity	0	376	372	0	372	0	0	0	0
4130	Premises Other & Gen Equip	0	1,822	2,678	218	2,678	800	0	0	0
4135	PremisAlarms - Service & Maint	0	1,569	1,850	1,606	1,850	0	0	0	0
4140	Premises PPE	1,000	0	100	59	100	0	0	0	0
4150	DNU	0	333	0	0	0	0	0	0	0
Overhead Expenditure		19,000	18,922	21,500	12,232	21,500	800	0	0	0
Movement to/(from) Gen Reserve		(19,000)	(18,922)	(21,500)	(12,232)	(21,500)		0		
<u>220</u>	<u>IT & Communications</u>									
4200	IT Rialtas Costs	0	4,224	2,554	2,554	2,554	0	0	0	0
4205	IT Domain/Web (Designworks)	0	1,206	1,250	522	1,250	0	0	0	0
4210	IT Support (ITEK/Sage)	0	4,256	4,300	2,119	4,300	2,119	0	0	0
4215	IT Digital Meetings/Admin	0	859	1,000	490	1,000	0	0	0	0
4220	IT ITEK Other Costs	0	4,578	3,329	3,160	3,329	0	0	0	0
4225	New IT /Comp/Equip (Assets)	0	4,780	1,250	0	800	0	0	0	0
4230	IT Other Costs	17,500	0	317	605	605	0	0	0	0
4235	Newsletter	11,500	11,276	12,500	7,883	12,500	0	0	0	0
Overhead Expenditure		29,000	31,178	26,500	17,333	26,338	2,119	0	0	0
Movement to/(from) Gen Reserve		(29,000)	(31,178)	(26,500)	(17,333)	(26,338)		0		
<u>230</u>	<u>Insurance & Finance Costs</u>									
4300	Insurance Public Liability	0	5,732	5,386	5,387	5,387	0	0	0	0

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Kendal Town Council
Annual Budget - By Centre (Actual YTD Month 6)
Note: Full Budget Statement

		<u>22/23</u>		<u>23/24</u>				<u>24/25</u>		
		Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
4305	HR Costs	12,000	0	4,000	2,792	4,000	0	0	0	0
4310	Finance Costs (Audit Fees)	0	2,900	2,800	-100	2,800	0	0	0	0
4315	Finance - BK & Voucher Fees	0	261	364	55	200	0	0	0	0
4320	Finance Payroll Costs	0	412	520	107	520	0	0	0	0
4910	Other Expenses	0	0	530	0	100	0	0	0	0
Overhead Expenditure		12,000	9,306	13,600	8,241	13,007	0	0	0	0
Movement to/(from) Gen Reserve		(12,000)	(9,306)	(13,600)	(8,241)	(13,007)		0		
<u>240</u>	<u>Stationery/Office General</u>									
4400	Admin Printing/Stationery/Post	0	1,889	2,100	1,504	2,100	0	0	0	0
4405	Admin Office Equip/Consumables	0	326	1,000	53	200	0	0	0	0
4415	Admin Repairs to Office Equip	0	0	500	0	100	0	0	0	0
4420	Photocopier (Lease & Service)	0	1,329	1,398	669	1,398	0	0	0	0
4425	Admin General	10,000	283	2,402	46	300	0	0	0	0
4430	Admin Subscriptions	0	2,787	3,000	2,828	3,000	13	0	0	0
4595	Levelling Up Contribution	5,000	5,000	0	0	0	0	0	0	0
4910	Other Expenses	0	100	0	0	0	0	0	0	0
Overhead Expenditure		15,000	11,715	10,400	5,101	7,098	13	0	0	0
Movement to/(from) Gen Reserve		(15,000)	(11,715)	(10,400)	(5,101)	(7,098)		0		
<u>250</u>	<u>Vehicle Costs</u>									
4500	Vehicle Fuel	0	1,186	1,200	504	1,000	0	0	0	0
4505	Vehicle Tracking Fee	0	92	96	40	96	0	0	0	0
4510	Vehicle Repairs	0	770	2,000	16	2,000	4	0	0	0

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Kendal Town Council
Annual Budget - By Centre (Actual YTD Month 6)
Note: Full Budget Statement

		<u>22/23</u>		<u>23/24</u>				<u>24/25</u>		
		Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
4515	Vehicle Van INS/TAX/MOT	0	1,673	1,300	644	1,300	0	0	0	0
4520	Vehicle Other Costs	2,500	0	404	0	100	0	0	0	0
Overhead Expenditure		2,500	3,720	5,000	1,205	4,496	4	0	0	0
Movement to/(from) Gen Reserve		(2,500)	(3,720)	(5,000)	(1,205)	(4,496)		0		
260	<u>Elections</u>									
4580	Elections - Wards	2,777	2,777	0	0	0	0	0	0	0
4590	Election Fund	5,000	0	30,000	0	30,000	0	0	0	0
Overhead Expenditure		7,777	2,777	30,000	0	30,000	0	0	0	0
Movement to/(from) Gen Reserve		(7,777)	(2,777)	(30,000)	0	(30,000)		0		
270	<u>Mayoralty & Arts</u>									
4700	Mayoral Allowance	5,250	5,524	5,524	5,000	5,000	0	0	0	0
4705	Mayoral Travel	800	281	800	263	500	0	0	0	0
4720	Mayor Making	0	1,838	2,200	2,273	2,273	0	0	0	0
4725	Torchlight	0	1,730	1,730	0	1,730	0	0	0	0
4730	Remembrance Sunday	0	279	300	0	300	0	0	0	0
4735	Pictures & Others	0	0	100	50	100	0	0	0	0
4745	Misc. Mayoral Functions & Exp	7,500	5,492	3,170	1,539	3,170	0	0	0	0
4750	Twinning	2,500	930	1,500	0	500	0	0	0	0
4755	Exhibitions	2,000	2,000	1,000	0	1,000	0	0	0	0
4760	Museum	2,000	2,000	2,000	0	2,000	0	0	0	0
Overhead Expenditure		20,050	20,075	18,324	9,125	16,573	0	0	0	0
6000	plus Transfer from EMR	0	4,309	0	0	0	0	0	0	0

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Kendal Town Council
Annual Budget - By Centre (Actual YTD Month 6)
Note: Full Budget Statement

		<u>22/23</u>		<u>23/24</u>				<u>24/25</u>		
		Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
Movement to/(from) Gen Reserve		<u>(20,050)</u>	<u>(15,766)</u>	<u>(18,324)</u>	<u>(9,125)</u>	<u>(16,573)</u>		<u>0</u>		
280	<u>Promoting Equality & Diversity</u>									
4596	Promoting Equality & Diversity	150	79	150	0	150	0	0	0	0
Overhead Expenditure		<u>150</u>	<u>79</u>	<u>150</u>	<u>0</u>	<u>150</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Movement to/(from) Gen Reserve		<u>(150)</u>	<u>(79)</u>	<u>(150)</u>	<u>0</u>	<u>(150)</u>		<u>0</u>		
300	<u>Kendal Vision & Futures</u>									
4600	DNU Support Co-Ordinator	0	5,000	0	0	0	0	0	0	0
4601	Kendal Futures Manager Contrib	31,750	0	10,000	0	10,000	10,000	0	0	0
4605	Kendal Vision Contribution	0	0	5,500	5,500	5,500	0	0	0	0
4610	Kirkland Banners	0	1,500	0	0	0	0	0	0	0
Overhead Expenditure		<u>31,750</u>	<u>6,500</u>	<u>15,500</u>	<u>5,500</u>	<u>15,500</u>	<u>10,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Movement to/(from) Gen Reserve		<u>(31,750)</u>	<u>(6,500)</u>	<u>(15,500)</u>	<u>(5,500)</u>	<u>(15,500)</u>		<u>0</u>		
310	<u>Promoting Kendal</u>									
4610	Kirkland Banners	0	0	1,500	0	1,500	1,500	0	0	0
4650	Visit Kendal Leaflets	0	0	8,280	0	8,280	8,970	0	0	0
4655	Visit Kendal Website Cont.	0	4,580	2,500	0	2,500	2,500	0	0	0
4660	Visit Kendal Content Co-ord.	5,000	7,470	6,770	4,095	6,770	0	0	0	0
Overhead Expenditure		<u>5,000</u>	<u>12,050</u>	<u>19,050</u>	<u>4,095</u>	<u>19,050</u>	<u>12,970</u>	<u>0</u>	<u>0</u>	<u>0</u>
6000	plus Transfer from EMR	0	0	0	2,450	0	0	0	0	0
Movement to/(from) Gen Reserve		<u>(5,000)</u>	<u>(12,050)</u>	<u>(19,050)</u>	<u>(1,645)</u>	<u>(19,050)</u>		<u>0</u>		

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Kendal Town Council
Annual Budget - By Centre (Actual YTD Month 6)
Note: Full Budget Statement

		<u>22/23</u>		<u>23/24</u>				<u>24/25</u>		
		Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
<u>320</u>	<u>Wainwright Fund</u>									
9900	Wainwright Fund Exp	250	250	250	250	250	0	0	0	0
	Overhead Expenditure	250	250	250	250	250	0	0	0	0
6000	plus Transfer from EMR	0	250	0	250	0	0	0	0	0
	Movement to/(from) Gen Reserve	(250)	0	(250)	0	(250)		0		
<u>400</u>	<u>Audit, Grants & Charities</u>									
4690	AG&C Community Grants	41,000	37,300	43,000	14,999	43,000	0	0	0	0
	Overhead Expenditure	41,000	37,300	43,000	14,999	43,000	0	0	0	0
	Movement to/(from) Gen Reserve	(41,000)	(37,300)	(43,000)	(14,999)	(43,000)		0		
<u>430</u>	<u>Christmas Lights & Festivals</u>									
4800	Christmas Lights	17,500	11,437	18,000	3,029	18,000	0	0	0	0
4805	CL&F infrastructure & Maint	10,000	8,112	4,726	2,357	4,726	160	0	0	0
4810	Christmas Electricity	750	1,268	850	0	850	0	0	0	0
4815	Christmas Switch On	3,500	3,881	8,470	-32	8,470	1,000	0	0	0
4820	CL&F Bunting	1,250	1,004	1,250	0	1,250	0	0	0	0
4825	Jubilee/Coronation	5,000	3,273	6,032	6,032	6,032	0	0	0	0
4830	CL&F Festival Grants	30,000	27,000	25,000	10,988	25,000	0	0	0	0
	Overhead Expenditure	68,000	55,976	64,328	22,374	64,328	1,160	0	0	0
	Movement to/(from) Gen Reserve	(68,000)	(55,976)	(64,328)	(22,374)	(64,328)		0		
<u>440</u>	<u>Kendal In Bloom</u>									

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Kendal Town Council
Annual Budget - By Centre (Actual YTD Month 6)
Note: Full Budget Statement

		<u>22/23</u>		<u>23/24</u>				<u>24/25</u>		
		Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
4900	KIB Floral Displays	21,500	21,444	26,500	14,148	26,500	0	0	0	0
4905	KIB Projects & Grants	8,700	8,114	8,500	724	8,500	300	0	0	0
4910	Other Expenses	0	322	0	0	0	0	0	0	0
Overhead Expenditure		30,200	29,880	35,000	14,872	35,000	300	0	0	0
Movement to/(from) Gen Reserve		(30,200)	(29,880)	(35,000)	(14,872)	(35,000)		0		
<u>500</u>	<u>Allotments</u>									
5000	Allotments Capital Spending	40,000	25,333	0	-101	-101	0	0	0	0
5005	Allotments Gen Exp	8,000	8,044	8,800	706	8,800	755	0	0	0
5015	Allotment Water	1,800	2,102	1,800	768	1,800	0	0	0	0
5020	Allotment Rent	900	840	950	840	840	0	0	0	0
5025	Allotment Pest Control	3,000	2,076	3,000	1,098	3,000	0	0	0	0
Overhead Expenditure		53,700	38,395	14,550	3,311	14,339	755	0	0	0
6000	plus Transfer from EMR	0	25,233	0	0	0	0	0	0	0
Movement to/(from) Gen Reserve		(53,700)	(13,163)	(14,550)	(3,311)	(14,339)		0		
<u>600</u>	<u>E - New Infrastructure/Improve</u>									
1999	Other Income	0	800	0	0	0	0	0	0	0
Total Income		0	800	0	0	0	0	0	0	0
5107	E - New Infrastructure	4,642	4,062	4,738	0	0	0	0	0	0
5108	E - Infrastructure Maint	3,937	3,602	3,700	3,318	3,700	121	0	0	0
5109	Environment Core - Misc	556	0	879	0	879	0	0	0	0
Overhead Expenditure		9,135	7,664	9,317	3,318	4,579	121	0	0	0

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Kendal Town Council
Annual Budget - By Centre (Actual YTD Month 6)
Note: Full Budget Statement

		<u>22/23</u>		<u>23/24</u>				<u>24/25</u>		
		Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
600 Net Income over Expenditure		-9,135	-6,864	-9,317	-3,318	-4,579	-121	0	0	0
6000	plus Transfer from EMR	0	2,955	0	0	0	0	0	0	0
Movement to/(from) Gen Reserve		<u>(9,135)</u>	<u>(3,909)</u>	<u>(9,317)</u>	<u>(3,318)</u>	<u>(4,579)</u>		<u>0</u>		
630	<u>E - SLDC Charges</u>									
5300	E - W&F Charges-Footway Light	3,751	3,750	4,200	0	4,200	0	0	0	0
5305	E - W&F Charges-Somervel Main	500	0	0	0	0	0	0	0	0
5310	E - W&F Charges-Bins	2,650	1,254	3,000	2,080	3,000	920	0	0	0
Overhead Expenditure		<u>6,901</u>	<u>5,004</u>	<u>7,200</u>	<u>2,080</u>	<u>7,200</u>	<u>920</u>	<u>0</u>	<u>0</u>	<u>0</u>
Movement to/(from) Gen Reserve		<u>(6,901)</u>	<u>(5,004)</u>	<u>(7,200)</u>	<u>(2,080)</u>	<u>(7,200)</u>		<u>0</u>		
900	<u>Projects - Climate Change</u>									
9040	Climate Town Centre Recom.Hub	10,000	0	30,000	0	30,000	0	0	0	0
9050	DNU Solar Audit Campaign	4,565	0	0	0	0	0	0	0	0
9055	Climate Jury Website	398	398	0	0	0	0	0	0	0
9060	Climate Zero Carbon Kendal	1,000	396	530	265	530	0	0	0	0
9130	New Projects TBC	1,121	1,195	0	0	0	0	0	0	0
Overhead Expenditure		<u>17,084</u>	<u>1,989</u>	<u>30,530</u>	<u>265</u>	<u>30,530</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
6000	plus Transfer from EMR	0	1,989	0	265	0	0	0	0	0
Movement to/(from) Gen Reserve		<u>(17,084)</u>	<u>0</u>	<u>(30,530)</u>	<u>0</u>	<u>(30,530)</u>		<u>0</u>		
910	<u>Projects - Biodiversity</u>									
9120	Bio Dark Skies Campaign	5,000	0	5,000	0	0	0	0	0	0

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Kendal Town Council
Annual Budget - By Centre (Actual YTD Month 6)
Note: Full Budget Statement

		<u>22/23</u>		<u>23/24</u>				<u>24/25</u>		
		Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
9125	Bio 2nd Round-Biod Grants	3,400	1,000	2,400	1,250	0	0	0	0	0
9126	DNU Living Roof Bus Shelter	2,500	0	0	0	0	0	0	0	0
9127	Bio Wildflowers Kendal Green	1,300	1,059	56	0	0	0	0	0	0
9129	Bio Canal Head Wetlands	1,300	800	500	0	0	11	0	0	0
9130	New Projects TBC	500	0	3,000	320	0	0	0	0	0
	Overhead Expenditure	14,000	2,859	10,956	1,570	0	11	0	0	0
6000	plus Transfer from EMR	0	3,044	0	1,570	0	0	0	0	0
	Movement to/(from) Gen Reserve	(14,000)	185	(10,956)	0	0		0		
<u>920</u>	<u>Projects - 20MPH</u>									
9200	20 MPH	18,400	0	18,400	0	0	0	0	0	0
9201	20 MPHContri to Data Collectio	1,000	1,000	0	0	0	0	0	0	0
	Overhead Expenditure	19,400	1,000	18,400	0	0	0	0	0	0
6000	plus Transfer from EMR	0	1,000	0	0	0	0	0	0	0
	Movement to/(from) Gen Reserve	(19,400)	0	(18,400)	0	0		0		
<u>930</u>	<u>Projects -Cycling & Walking</u>									
1999	Other Income	0	1,000	0	0	0	0	0	0	0
	Total Income	0	1,000	0	0	0	0	0	0	0
9300	C&W Footpath Quality Audit	12,000	0	12,000	0	0	0	0	0	0
9305	C&WKirkbarrow Connections	10,300	186	10,114	2,538	0	0	0	0	0
9307	C&W Kendal Castle Pump Track	4,000	2,000	2,000	0	0	0	0	0	0
9308	C&W Cllrs Contributions	5,700	0	6,700	0	0	0	0	0	0

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Kendal Town Council
Annual Budget - By Centre (Actual YTD Month 6)
Note: Full Budget Statement

		<u>22/23</u>		<u>23/24</u>				<u>24/25</u>		
		Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
9310	C&W Signage Improvements	4,000	0	4,000	0	0	0	0	0	0
9315	C&W 22/23 LCRP Cont	5,000	0	5,000	0	0	0	0	0	0
Overhead Expenditure		41,000	2,186	39,814	2,538	0	0	0	0	0
930 Net Income over Expenditure		-41,000	-1,186	-39,814	-2,538	0	0	0	0	0
6000	plus Transfer from EMR	0	2,186	0	2,538	0	0	0	0	0
6001	less Transfer to EMR	0	1,500	0	0	0	0	0	0	0
Movement to/(from) Gen Reserve		(41,000)	(500)	(39,814)	0	0		0		
<u>935</u>	<u>River Corridor Connectivity</u>									
9600	River Corridor Connectivity	31,000	28,292	2,708	0	0	0	0	0	0
Overhead Expenditure		31,000	28,292	2,708	0	0	0	0	0	0
6000	plus Transfer from EMR	0	28,292	0	0	0	0	0	0	0
Movement to/(from) Gen Reserve		(31,000)	(0)	(2,708)	0	0		0		
<u>940</u>	<u>Projects - Green Spaces Impro</u>									
1999	Other Income	0	500	0	0	0	0	0	0	0
Total Income		0	500	0	0	0	0	0	0	0
9130	New Projects TBC	3,500	775	7,725	0	0	0	0	0	0
9400	Green Bowling Fell Project	7,000	0	7,000	0	0	0	0	0	0
9405	Green Sepentine Woods Trail	1,000	1,000	0	0	0	0	0	0	0
9410	Green Fellside Play Provision	5,000	0	5,000	4,168	5,000	460	0	0	0
9411	Green Mintsfeet Development	7,500	0	7,500	0	0	0	0	0	0
9415	Green Fletcher Park	607	397	210	0	0	0	0	0	0

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Kendal Town Council
Annual Budget - By Centre (Actual YTD Month 6)
Note: Full Budget Statement

		<u>22/23</u>		<u>23/24</u>				<u>24/25</u>		
		Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
Overhead Expenditure		24,607	2,172	27,435	4,168	5,000	460	0	0	0
940 Net Income over Expenditure		-24,607	-1,672	-27,435	-4,168	-5,000	-460	0	0	0
6000	plus Transfer from EMR	0	2,172	0	4,168	0	0	0	0	0
6001	less Transfer to EMR	0	500	0	0	0	0	0	0	0
Movement to/(from) Gen Reserve		<u>(24,607)</u>	<u>0</u>	<u>(27,435)</u>	<u>0</u>	<u>(5,000)</u>		<u>0</u>		
950	<u>Projects -Public Realm Enhance</u>									
9505	DNU Further Ivy Screening Proj	5,500	0	5,500	0	0	0	0	0	0
9506	PR Kendal Yards	2,500	0	2,500	0	0	0	0	0	0
9507	PR Oxenholme Signage	4,014	0	4,014	0	0	0	0	0	0
9508	PR Water Fountain	0	0	5,000	0	0	0	0	0	0
9509	PR Yards Improvement	0	0	10,000	0	0	0	0	0	0
9510	DNU Nobles Rest	5,000	0	0	0	0	0	0	0	0
Overhead Expenditure		17,014	0	27,014	0	0	0	0	0	0
Movement to/(from) Gen Reserve		<u>(17,014)</u>	<u>0</u>	<u>(27,014)</u>	<u>0</u>	<u>0</u>		<u>0</u>		
960	<u>FRSWG</u>									
9610	FRSWG Scheme (Reserve Pot)	40,000	0	110,000	0	90,000	0	0	0	0
Overhead Expenditure		40,000	0	110,000	0	90,000	0	0	0	0
Movement to/(from) Gen Reserve		<u>(40,000)</u>	<u>0</u>	<u>(110,000)</u>	<u>0</u>	<u>(90,000)</u>		<u>0</u>		

Continued on next page

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Kendal Town Council

Annual Budget - By Centre (Actual YTD Month 6)

Note: Full Budget Statement

	<u>22/23</u>		<u>23/24</u>				<u>24/25</u>		
	Budget	Actual	Total	Actual YTD	Projected	Committed	Agreed	EMR	Carried Forward
Total Budget Income	627,928	631,746	713,543	424,264	713,543	0	0	0	0
Expenditure	800,518	587,536	880,526	265,596	729,005	29,633	0	0	0
Net Income over Expenditure	<u>-172,590</u>	<u>44,209</u>	<u>-166,983</u>	<u>158,668</u>	<u>-15,462</u>	<u>-29,633</u>	<u>0</u>	<u>0</u>	<u>0</u>
plus Transfer from EMR	0	71,430	0	11,241	0	0	0	0	0
less Transfer to EMR	0	70,176	0	84,138	0	0	0	0	0
Movement to/(from) Gen Reserve	<u>(172,590)</u>	<u>45,463</u>	<u>(166,983)</u>	<u>85,771</u>	<u>(15,462)</u>		<u>0</u>		

Kendal Town Council**Earmarked Reserves**

	Account	Opening Balance	Net Transfers	Closing Balance
320	EMR-Development Fund	143,439.57	-8,540.88	134,898.69
321	EMR-Allotments Reserve	42,886.14	339.10	43,225.24
322	EMR-Arts & Heritage Reserve	13,579.24	107.37	13,686.61
323	EMR-Environment Reserve	879.51		879.51
324	EMR-Election Reserve	17,037.00		17,037.00
325	EMR-FRSWG	110,000.00		110,000.00
326	EMR-Wainwright Fund	11,350.00	-160.26	11,189.74
327	EMR - Connectivity	2,708.00		2,708.00
328	EMR Cllr Contributions	6,700.00		6,700.00
329	EMR Visit Kendal Website	2,450.00	-2,450.00	0.00
330	EMR CL&F B/Fwd	1,728.00		1,728.00
350	EMR - CIL 21/22	14,804.57		14,804.57
351	EMR - CIL 22/23	68,176.22		68,176.22
352	EMR - CIL 23/24	0.00	84,137.86	84,137.86
		435,738.25	73,433.19	509,171.44

Time: 14:41

**Bank Reconciliation Statement as at 31/08/2023
for Cashbook 1 - Current Bank A/c**

User: 8134.S.DENNEY

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Current A/C	31/08/2023		25,000.00
Reserve A/C	31/08/2023		452,821.30
			<u>477,821.30</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			477,821.30
<u>Unpresented Receipts (Plus)</u>			
01/07/2023 MOK		50.00	
			<u>50.00</u>
			477,871.30
		Balance per Cash Book is :-	477,871.30
		Difference is :-	0.00

Signatory 1:

NameSignedDate

Signatory 2:

NameSignedDate

In respect of **Kendal Town Council**

1 Respective responsibilities of the body and the auditor

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 2023; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors

2 External auditor report 2022/23

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 the 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.

We have not yet completed our review work on the AGAR and supporting documentation. A final report detailing any qualifications and other matters will be provided with the certificate of completion, following finalisation of the review.

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

We have not yet completed our review work on the AGAR and supporting documentation. A final report detailing any qualifications and other matters will be provided with the certificate of completion, following finalisation of the review.

3 External auditor certificate 2022/23

We 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 2023.

We do not certify completion because:

We must complete our review work before we are able to certify completion and discharge our responsibilities

External Auditor Name



External Auditor Signature

Date

25/09/2023

+ more peace of mind

Tax Investigation Insurance – Help and support when you need it most

If HMRC open an investigation into your personal or business tax returns it could be triggered for several reasons. The assumption when you're selected for a tax investigation is that you have done something wrong. This is rarely the case. Both random and targeted enquiries into tax affairs can and do happen on a regular basis. Whether you're an individual taxpayer or business owner, an investigation is possible and nobody is exempt. That is why, at RfM we offer a Tax Investigation Service to protect you from the professional costs, stress and uncertainty brought about by an HMRC enquiry.

HMRC are targeted with closing the tax gap of £35 billion, with small businesses and individuals accounting for over half of this amount and we are seeing the volume of such enquiries increase substantially. Even if there is no additional tax to pay, investigations and enquiries can cost thousands and last for many months.

Our **Tax Investigation Service** in partnership with Vantage Fee Protect includes:

- **Representation** from us in the event of an HMRC investigation.
- **£100,000** fees indemnity on this **insurance backed** service with **no excess**.
- **Peace of mind** that we will deal with HMRC on your behalf, limiting the concern and stress of spiraling additional fees.
- Cover for enquiries into **Personal tax, Company tax, VAT and PAYE**
- **Health & Safety** and **Legal** telephone advice line.

We recommend that you take advantage of this valuable service which is a real benefit to you and/or your business.

Arranging Cover

We enclose a request for payment showing the ways to pay and the annual premium. If you do not require cover please ignore this payment request.

If you currently have cover and payment is not made to renew this, your existing cover will cease on 30 September 2023.

More information is detailed in the enclosed leaflet, however should you have any questions please do not hesitate to contact us.

Tax Investigation Insurance - Request for Payment

Annual Premium including administration fee for the period **1 October 2023 to 30 September 2024**

	Amount due (Inclusive of VAT)
Limited companies with annual turnover of up to £10m *	£282.00
* Businesses with annual turnover of more than £10m	<i>Please call our office</i>

Ways to pay

☐ By Debit/Credit Card – please telephone our office on 01229 582149

☐ Payment by BACS – **please use your company name as reference**

Bank Name: Natwest
Account Name: RfM Ulverston Ltd
Account Number: 10800875
Sort Code: 60-50-94

☐ **Payment by Cheque**

If you wish to pay by cheque, please forward your cheque, along with this request for payment, ensuring you complete the box below. Cheques should be made payable to RfM Ulverston Ltd.

☐ **Payment on the Portal**

You can also register and pay direct on the Portal by following the link below
<https://rfmulverston.vantagefeeprotect.com/>

Company name	
---------------------	--

Once payment is made you will be issued with a VAT Invoice

RfM Ulverston Ltd, Bellevue, Prince's Street, Ulverston, Cumbria LA12 7NB Tel 01229 582149
 117 Duke Street, Barrow in Furness, Cumbria LA14 1XA Tel 01229 820003
 email ulverston@rfm-more.co.uk | barrow@rfm-more.co.uk rfm-more.co.uk

A list of the names of the principles is available at the registered office

Registered in England and Wales
 No. 11356692

Protect yourself today!

Tax enquiries can be costly and our expert support in dealing with these is not included in your normal accountancy fees. Spending a small amount now on our Tax Fee Protection means that you will receive complete support if HM Revenue & Customs (HMRC) targets you; we will manage your enquiry from start to finish and you will not need to worry about the cost.



"HMRC activity is expected to increase in the coming months and years as they look to generate more tax to help fund the enormous spend in respect of the Covid-19 pandemic and the energy price freeze. Purchasing our Tax Fee Protection means that if you are subject to an enquiry by HMRC our fees are one less thing for you to worry about. We can defend you for as long as it takes to achieve the right result."

Paul Newsham, Partner
Ulverston

Want to know more?

If you have any questions relating to our Tax Fee Protection then don't hesitate to contact us.

Phone : 01229 582149

Website: www.rfm-more.co.uk

RfM

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Accountants + more

A man in a dark blue suit and tie is holding a large, white-outlined umbrella. He is looking up at the sky. The background is a dark grey gradient. The word 'TAX' is repeated many times in white, bold, sans-serif font, scattered around the umbrella and the man. The text is of various sizes and orientations, creating a sense of being surrounded by tax-related issues.

Make sure you are protected against the cost of an HM Revenue & Customs enquiry

Subscribing to our Tax Fee Protection Service will mean that we can represent you in the event of an HMRC enquiry at no extra cost... ensuring you get the best possible defence.

We're here to protect you

Why are HM Revenue & Customs (HMRC) investigating?

- In the UK we live in an environment whereby the taxpayer is responsible for assessing their own tax liability.
- HMRC opens enquiries to see if the taxpayer has paid the right amount of tax.
- HMRC now uses a sophisticated database called 'Connect' to start more than 80% of tax enquiries, which analyses data from 30 different data sources.
- HMRC can consider all aspects of taxation and more recently have also used enquiries to ensure that the measures put in place to support the economy through the Covid-19 pandemic have been utilised correctly.

What could an enquiry involve?

- HMRC will write to you or visit your business premises.
- They will potentially want to review all your books and records or will ask for more detailed information about specific transactions on your Tax Return.
- At the end of the enquiry HMRC may look to raise an assessment for additional tax due.
- If you are subject to an enquiry we will respond to HMRC's requests for information and/or attend meetings with HMRC. We will provide our workings with detailed explanations, and we can dispute any assessment for additional tax due.

“
HMRC is under pressure to open more enquiries than ever before to generate tax to fund the enormous spend in respect of Covid-19 and the energy price freeze.
”

You can protect!

- If the HMRC states its intention to investigate your tax payments don't panic ... call us, as your dedicated accountant we can provide the best defence.
- Our Tax Fee Protection will cover fees incurred translating the many complicated questions the taxman may pose, manage the entire conversation with the taxman, help you submit any required information and challenge HMRC's findings.
- The protection gives you the comfort of knowing that we can fully defend you at no extra cost if you fall under HMRC's spotlight.

Other benefits of this protection

As an additional benefit this protection provides complementary telephone access to business support advice lines from which advice can be obtained on:

Employment Law – you can call regarding performance and absence management, TUPE, redundancies, calculating holiday entitlements, grievances, disciplinary processes and more.

Health & Safety – Advice on risk assessments, fire safety, first aid, RIDDOR and more.

General Legal Issues – advice on any UK commercial or personal issues.

Why take action?

1

HMRC enquiries can be random and come at any time.

2

The number of enquiries HMRC opens continues to increase as they look to fund the enormous spend through the Covid-19 pandemic.

3

HMRC are using enquiries to ensure that measures put in place to support the economy through the Covid-19 pandemic have been utilised correctly.

4

If you are subject to an enquiry we will represent you, ensuring you have the best possible defence.

5

Our normal accountancy fees do not include the cost of dealing with enquiries, which can be costly and complex even if no additional tax becomes due.

6

Our Tax Fee Protection protects against costs incurred dealing with HMRC enquiries.

Kendal Town Council

Agenda Report

Committee: Audit	Meeting Date: 16 October 2023
From: Town Clerk	Agenda No: 11a
Description: Internal Audit	

The Accounts and Audit Regulations 2015 require the Council to 'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'.

Public sector internal audit standards are not applied by regulation to the Town and Parish council sector, so the standards are for guidance and best practice.

The Council should carry out a review of the effectiveness of their overall internal audit arrangements annually.

The Committee recommended that the Council refresh the Internal Auditor's terms of engagement. Pressure of time meant that this was not possible in 2022-23, but this should now be taken forward, as a matter of priority.

The extract from the Practitioners' Guide forms the basis for the letter of engagement. It should include:

- Roles and responsibilities
- Audit planning and timing of visits
- Reporting requirements
- Rights to access information, members and officers
- Period of engagement
- Remuneration
- Any other matters required for the management of the engagement by the Council.
- Professional indemnity insurance

Kendal Town Council

Agenda Report

Committee: Audit	Meeting Date: 16 October 2023
From: Town Clerk	Agenda No: 11b
Description: Internal Audit Draft Terms of Engagement	

Kendal Town Council wishes to engage an Internal Auditor.

Essential Competencies

Candidates' essential competencies should include:

- understanding basic book-keeping and accounting processes; where an authority exceeds the £200,000 threshold, this understanding must include accrual accounting and balance sheets.
- understanding the role of internal audit in reviewing systems rather than undertaking detailed checks that are more appropriately the responsibility of management
- awareness of relevant principles and practice of financial and other risk management
- understanding proper practices in relation to governance and accounting requirements within the legal framework and powers of smaller authorities, as set out in Sections 1 and 3 of the JPAG Practitioners' Guide (knowledge of which is a prerequisite)
- awareness of the most recent model Standing Orders and model Financial Regulations as published by NALC and how they are adopted by authorities
- awareness of the relevance of VAT and PAYE/NIC rules as applied to the authority
- a clear understanding of the risks and controls associated with 'cut off' procedures, particularly with respect to revenue-generating activities.

The Internal Auditor will complete the Council's statutory report in the Annual Governance and Accountability Return (AGAR). This will be based on two annual inspections – mid-term and year end. How this is divided will be up to the internal Auditor, but the expectation will be that all aspects of the AGAR statement will be completed in a timely fashion, within the statutory timetable for both the Council and the External Auditor.

The Internal Auditor will be appropriately insured for their professional work.

The Internal Auditor will be completely independent from the council.

The Internal Auditor will be able to demonstrate appropriate references.



SECTION FOUR — BEST PRACTICE GUIDANCE FOR INTERNAL AUDIT

Introduction

- 4.1. This section intends to provide members and officers of smaller authorities as well as those offering to provide internal audit services to such authorities, details of the legal framework, regulations and guidance to be followed.
- 4.2. Smaller authorities are required by the Accounts and Audit Regulations 2015 to 'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'.
- 4.3. The public sector internal audit standards have not been applied to smaller authorities. The information in this section is therefore guidance and should be considered by smaller authorities in undertaking a best practice effective internal audit.
- 4.4. It is not the purpose of either internal or external audit to detect or prevent fraud. However if internal auditors identify concerns as part of the review, they may wish to contact the authority's external auditor who are a 'prescribed body' under the Public Interest Disclosure Act.
- 4.5. It is not the role of any internal auditor to complete Section 1 or Section 2 of the AGAR, that is the responsibility of the authority.

Selecting and appointing an internal audit provider

- 4.6. In addition to ensuring the appointed internal auditor has relevant knowledge of the public sector, there are two key principles an authority must follow in appointing an internal audit provider: independence and competence.
- 4.7. There are various ways for an authority to source an internal audit service, for example:
 - Purchasing an internal audit service from a local firm or specialist internal audit practice with an understanding of the local government legal framework
 - Purchasing an internal audit service from a principal local authority
 - Engaging a competent internal auditor with sufficient organisational independence to undertake the role
 - Appointing a local individual or a member of a panel of individuals administered by a local association affiliated to NALC, SLCC or ADA.
- 4.8. There is no requirement for a person providing the internal audit role to be professionally qualified, however essential competencies to be sought from any internal audit service should include:
 - understanding basic book-keeping and accounting processes; where an authority exceeds the £200,000 threshold, this understanding must include accrual accounting and balance sheets



- understanding the role of internal audit in reviewing systems rather than undertaking detailed checks that are more appropriately the responsibility of management
- awareness of relevant principles and practice of financial and other risk management
- understanding proper practices in relation to governance and accounting requirements within the legal framework and powers of smaller authorities, as set out in Sections 1 and 3 of this guide (knowledge of which is a prerequisite)
- awareness of the most recent model Standing Orders and model Financial Regulations as published by NALC and how they are adopted by authorities
- awareness of the relevance of VAT and PAYE/NIC rules as applied to the authority
- for larger authorities, a clear understanding of the risks and controls associated with 'cut off' procedures, particularly with respect to revenue-generating activities

Independence

- 4.9. Independence requires the absence of any actual or perceived conflict of interest. It means that whoever carries out the internal audit role does not have any involvement in, or responsibility for, the financial decision making, management or control of the authority, or for the authority's financial controls and procedures.
- 4.10. A current or recent authority member, who cannot demonstrate independence from decisions in the year to be audited, cannot be its internal auditor. Similarly, it would not be appropriate for any individual or firm with a personal connection to a member or officer of the authority to be appointed. Conflicts of interest must be avoided, such as in cases where an external provider of accounting software or services to the authority, also offers internal audit services through an associate company, firm or individual.
- 4.11. There is no requirement to rotate auditors but the independence of the appointed person or firm should be reviewed every year with regard to; personal independence, financial independence, and professional independence.

Competence

- 4.12. Evidence as to competence might include letters of recommendation from other similar authorities.

Engagement

- 4.13. Every authority should ensure that they have a letter of engagement which would normally include:
- roles and responsibilities
 - audit planning and timing of visits



- reporting requirements
- rights to access to information, members and officers
- period of engagement
- remuneration
- any other matters required for the management of the engagement by the authority

4.14. Most internal auditors will have professional indemnity insurance cover which provides both the authority and the person or firm engaged, with protection and assurance.

Planning and oversight

4.15. It is a matter for the authority to determine how best to meet the statutory requirement for internal audit, having regard to its size, scope of services and complexity of financial arrangements.

4.16. Authorities should, at least annually, carry out a review of the effectiveness of their overall internal audit arrangements. It should be designed to provide sufficient assurance for the authority that standards are being met and that the work of internal audit is effective. Authorities should judge the extent and scope of the review by reference to their own individual circumstances.

4.17. As with any review, it should be evidence based.

Wherever possible this should be gathered throughout the year.

Sources may include:

- previous review and action plan
- annual report by internal audit
- other reports from internal audit, including internal audit plan, monitoring reports, and the results of any investigations
- any reports by the external auditor
- the results of any other external reviews of internal control

4.18. As part of the review the internal auditor should produce a report to the authority highlighting areas for improvement or development. An action plan should be produced setting out the areas of improvement required, any proposed remedial actions, the members or officers responsible for delivering improvement, and the deadlines for completion of the actions.

4.19. Internal auditors should be aware of the National Audit Office guidance to external auditors regarding the additional work expected in respect of authorities with income or expenditure in excess of £2,000,000

Internal Audit Checklist

4.20. The following sets out the basic requirements for conduct of an effective internal audit review of an authority's financial and governance records and controls facilitating the completion of the Internal Audit Report in an authority's Annual Governance and



Accountability Return (AGAR). The detail is not exhaustive but aims to provide Proper Officers and internal auditors with a basic guide to the controls that should ideally be in place and physical checks/testing that should be applied. Where records examined include personal detail, such as in the case of staff salaries, allotment records and detail of hall hirers on invoices, care should be taken to ensure compliance with the requirements of the General Data Protection Regulations (GDPR).

- 4.21. Internal auditors should also, as part of the overall check on the authority's governance arrangements, review all full authority and committee minutes (and supporting papers) to gain an overview of the authority's financial and governance controls, monitoring that no actions of a potentially unlawful nature are being considered or any such decisions have been taken and that approval of all minutes is in accordance with the legislation.

This particular facet does not align to an individual section of the internal audit report in the AGAR but serves to give a degree of high-level indication as to the effectiveness of an authority's overall controls and decision-making process.

AGAR certificate reference	Internal Audit action for expected controls
<p>A. Appropriate accounting records have been properly kept throughout the year.</p> <p>AND</p> <p>I. Periodic bank account reconciliations were properly carried out during the year.</p>	<ul style="list-style-type: none"> • Ensure the correct roll forward of the prior year cashbook balances to the new financial year • Check a sample of financial transactions in cashbooks to bank statements, etc: the sample size dependent on the size of the authority and nature of accounting records maintained • Ensure that bank reconciliations are prepared routinely, are subject to independent scrutiny and sign-off by members • Verify the accuracy of the year-end bank reconciliation detail and ensure accurate disclosure of the combined cash and bank balances in the AGAR, section 2, line 8. • Where the authority has bank balances in excess of £100,000 it has an appropriate investment strategy.
<p>B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for.</p>	<ul style="list-style-type: none"> • Review the procedures in place for acquisition of formal tenders and quotes, ensuring they are in line with the <u>SOs and FRs</u> which should be based on the latest version. • Ensure that consistent values are in place for the acquisition of formal tenders between SOs and FRs (frequently different limits are recorded in the two documents) • Review the procedures for receipt of invoices,



	<p>agreement of invoice detail and confirmation of goods /services delivery and approval for payment: ideally, a suitably designed certification stamp should be in place providing for evidencing of these checks and payment authorisation</p> <ul style="list-style-type: none"> • Check that there is effective segregation between the writing of cheques or the setting up of online payments, and physical release of payments • Check that VAT reclaims are prepared and submitted in a timely manner in line with the underlying records and in accordance with current HMRC requirements • Where debit / credit cards are in use, establish the total monthly and individual transaction limits and ensure appropriate controls over physical security and usage of the cards are in place
<p>C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.</p>	<ul style="list-style-type: none"> • Ensure that authorities have prepared, and formally adopted, at least once annually, an appropriate and comprehensive register of assessed risks, both regular and ad hoc • Ensure that appropriate levels of insurance cover are in place for land, buildings, public, employers' and hirers' (where applicable) liability, fidelity / employees (including councillors) liability, business interruption and cyber security • Ensure that appropriate arrangements are in place for monitoring play areas, open spaces and sports pitches: such reviews should be undertaken by appropriately qualified external inspectors or, if by officers or members, that they have received the appropriate training and accreditation • Review the effectiveness of internal control carried out by the authority
<p>D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.</p>	<ul style="list-style-type: none"> • Ensure that the full Authority, not a committee, has considered, approved and adopted the annual precept for the coming year in accordance with the required parent Authority timetable • Ensure that current year budget reports are prepared and submitted to Authority / Committees periodically during the year with appropriate commentary on any significant variances • Review the budget performance either during the year or



	<p>at the financial year-end seeking explanations for any significant or unanticipated variances</p> <ul style="list-style-type: none"> • Ensure that the Authority has considered the establishment of specific earmarked reserves and, ideally, reviews them annually as part of the budget assessment process • Ensure that the precept received in the accounts matches the prior year submission form to the relevant authority and the <u>public record of precepted amounts</u>
<p>E. Expected income was fully received based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.</p>	<ul style="list-style-type: none"> • Review “Aged debtor” listings to ensure appropriate follow up action is in place • Allotments: ensure that appropriate signed tenancy agreements exist, that an appropriate register of tenants is maintained identifying, that debtors are monitored. • Burials: ensure that a formal burial register is maintained that it is up-to-date and that a sample of interments and memorials are appropriately evidenced, that fees have been charged at the correct approved rate and been recovered within a reasonable time: (<u>Authorities should also acquire and retain copies of Burial / Cremation certificates</u>) • Hall hire: ensure that an effective diary system for bookings is in place identifying the hirer, hire times and ideally cross-referenced to invoices raised • Leases: ensure that leases are reviewed in a timely manner in accordance with the terms of the lease and rents similarly reviewed appropriately at the due time • Other variable income streams: ensure that appropriate control procedures and documentation are in existence to provide a clear audit trail through to invoicing and recovery of all such income • Where amounts are receivable on set dates during the year, ensure that an appropriate control record is maintained duly identifying the date(s) on which income is due and actually received / banked
<p>F. Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for</p>	<ul style="list-style-type: none"> • A number of authorities are now running down and closing their petty cash accounts and using debit / credit cards for ad hoc purchases. Consequently, a “Not covered” response is frequently required in this area. • Review the systems in place for controlling any petty



	<p>cash and also cash floats (used for bar, catering, etc)</p> <ul style="list-style-type: none"> • Check a sample of transactions during the financial year to ensure appropriate supporting documentation is held • Review the existence of evidenced periodic independent verification of the petty cash and any other cash floats held • Ensure that VAT is identified wherever incurred and appropriate • Physically check the petty cash and other cash floats held • Where bar or catering facilities are in place, ensure that appropriate cashing-up procedures are in place reconciling the physical cash takings to the till “Z” total readings
<p>G. Salaries to employees and allowances to members were paid in accordance with the authority’s approvals, and PAYE and NI requirements were properly applied.</p>	<ul style="list-style-type: none"> • Ensure that, for <u>all staff</u>, a formal employment contract is in place together with a confirmatory letter setting out any changes to the contract • Ensure that appropriate procedures are in place for the payment of members allowances and deduction of any tax liability • Ensure that, for a sample of staff salaries, gross pay due is calculated in accordance with the approved spinal point on the <u>NJC</u> scale or hourly rate, if off-scale, and also with the contracted hours • Ensure that appropriate tax codes are being applied to each employee • Where <u>free</u> or <u>paid for</u> software is used, ensure that it is up to date. • For the test sample of employees, ensure that tax is calculated appropriately • Check the correct treatment of Pension contributions • For NI, ensure that the correct deduction and employer’s contributions are applied: NB. The <u>employers allowance</u> is not available to councils but may be used by other authorities • Ensure that the correct employers’ pension percentage contribution is being applied • Ensure that for the test sample, the correct net pay is paid to the employee with tax, NI and pension contributions correctly paid to the respective agencies.



H. Asset and investment registers were complete and accurate and properly maintained.

This section/assurance should be extended to include loans to or by the authority

Tangible Fixed Assets:

- Ensure that the Authority is maintaining a formal asset register and updating it routinely to record new assets at historic cost price, net of VAT and removing any disposed of / no longer serviceable assets
- Physically verifying the existence and condition of high value, high risk assets may be appropriate
- Ideally, the register should identify for each asset the purchase cost and, if practicable, the replacement / insured cost, the latter being updated annually and used to assist in forward planning for asset replacement
- Additions and disposals records should allow tracking from the prior year to the current
- Ensure that the asset value to be reported in the AGAR at section 2, line 9 equates to the prior year reported value, adjusted for the nominal value of any new acquisitions and / or disposals
- Compare the asset register with the insurance schedule to ensure that all assets as recorded are appropriately insured or “self-insured” by the Authority

Fixed asset investments:

- Ensure that all long-term investments (i.e., those for more than 12 month terms) are covered by the “Investment Strategy” and reported as Assets in the AGAR at section 2, line 9.

Borrowing and Lending:

- Ensure that the authority has sought and obtained appropriate DMO approval for all loans acquired
- Ensured that the authority has accounted for the loan appropriately (i.e., recorded the full value of the loan. Any arrangement fee should be regarded as an admin expense) in the year of receipt
- Ensure that the combined principal loan repayment and interest for the year is correctly recorded in the AGAR at section 2 line 5
- Ensure that the outstanding loan liability as at 31st March each year is correctly recorded in the AGAR at section 2, line 10 (value should be verified via the DMO website)
- Where the Authority has issued loans to local bodies, they should ideally seek signed indemnities from the



	recipient body, or their members, agreeing to underwrite the loan debt
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cashbook, supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded.	<p>Whilst IAs are not required to verify the accuracy of detail to be disclosed in the AGAR, this assertion, together with the expectation of most Authorities, effectively requires IAs to ensure that the financial detail reported at <u>section 2 of the AGAR</u> reflects the detail in the accounting records maintained for the financial year. Consequently, IAs should</p> <ul style="list-style-type: none"> • Ensure that, where annual turnover exceeds <u>£200,000</u>, appropriate records are maintained throughout the year on an Income and Expenditure basis to facilitate budget reporting in that vein • Ensure that appropriate accounting arrangements are in place to account for debtors and creditors during the year and at the financial year-end
K. If the authority certified itself as exempt from a limited assurance review in the prior year, it met the exemption criteria and correctly declared itself exempt.	<p>IAs should ensure that, <u>all relevant criteria are met</u> (receipts and payments each totalled less than £25,000)</p> <ul style="list-style-type: none"> • the correct exemption certificate was prepared and minuted in accordance with the statutory submission deadline • that it has been published, together with all required information on the Authority's website and noticeboard
L. The authority publishes information on a free to access website / web page, up to date at the time of the internal audit in accordance with the relevant legislation	IAs should review the Authority's website ensuring that all required documentation is published in accordance with the relevant legislation.
M. The authority, during the previous year, correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations.	<p>IAs should acquire / examine a copy of the required "Public Notice" ensuring that it clearly identifies the statutory <u>30 working day period when the Authority's records are available for public inspection</u>.</p> <p>IAs may also check whether councils have minuted the relevant dates at the same time as approving the AGAR</p>
N. The authority complied with the publication requirements for the prior year AGAR.	IAs should ensure that the statutory disclosure / publication requirements in relation to the prior year's AGAR have been met as detailed on the front page of the current year's AGAR.



O. Trust funds (including charitable) - the Council met its responsibilities as a trustee

- Confirm that all charities of which the council is a Trustee are up to date with CC filing requirements
- that the council is the sole trustee on the Charity Commission register
- that the council is acting in accordance with the Trust deed
- that the Charity meetings and accounts recorded separately from those of the council
- review the level and activity of the charity and where a risk based approach suggests such, review the Independent Examiners report

Reporting on Internal Audit

- 4.22. The duties of internal audit relate to reporting on the adequacy and effectiveness of an authority's system of internal control. The minimum reporting requirement for internal audit to the smaller authority is met by completing the annual internal audit report on the Annual Governance and Accountability Return.
- 4.23. In most cases, particularly for larger authorities, an additional narrative report to the full council would be expected and then be published with the AGAR along with any comments from the external auditor.
- 4.24. Any narrative report should have conclusions that are compatible with the entries on the AGAR.
- 4.25. The annual internal report will inform the authority's response to Assertion 2 and Assertion 6 in the annual governance statement.
- 4.26. An authority should minute their review and actions planned from the outcomes of the AGAR tests and content of any narrative reports from Internal Auditors.