

Annual Governance Report

Banbury Town Council

Audit 2009/10

October 2010

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Status of our reports

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors/ members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or
 - any third party.
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Key messages

- 1 You have to prepare your accounts following the accounting practices applicable to town councils. Until 2008/09 larger town councils based their accounts on the accounting practices used by larger local authorities. From 2009/10 town councils had to follow more straightforward accounting practices.
- 2 From 2009/10 you had to prepare accounts under the proper accounting practices found in the Financial Reporting Standard for Smaller Entities (the FRSSE) issued by the Accounting Standards Board. Part 4 of the Governance and Accountability for Local Councils: A Practitioners' Guide 2010 (England) and its successor publications set out the proper accounting practices you should follow when preparing your financial statements.
- 3 This report summarises the findings from my 2009/10 audit. I set out the key matters you considered before I issued my opinion on the financial statements, my value for money conclusion and the audit closure certificate in Table 1.

Table 1 Matters for the attention of the Council

These are the key issues arising from my work

Matters for the attention of the Town Council	Comment
Audit opinion on the financial statements and value for money (vfm) conclusion.	Following receipt of satisfactory responses to the information awaited, and adjustment of the errors identified, I issued an audit report including an unqualified opinion on the financial statements and a qualified vfm conclusion (but not an adverse conclusion).
Concerns about the quality of accounting practice and financial reporting	The accounts required amendment and inclusions to secure compliance with accounting standards.
Improvements in internal control	Our work identified improvements needed to internal control in financial systems.
Independence and ethical issues	I have no issues to report.
Other matters, for example non compliance with law and regulation, fraud	I have no matters to report.

Matters for the attention of the Town Council	Comment
etc	
Any other audit matter of governance interest	I have no matters to report.

Audit opinion

- 4 Following receipt of satisfactory responses to the information awaited, and adjustment of the errors identified, I issued an audit report including an unqualified opinion on the financial statements and a qualified vfm conclusion (but not an adverse conclusion).

Value for money conclusion

- 5 I issued a qualified conclusion stating the Town Council had adequate arrangements to secure economy, efficiency and effectiveness in the use of resources stating that the Town Council had adequate arrangements to secure economy, efficiency and effectiveness in the use of resources except for having timely, reliable financial reporting that meets the needs of internal users, stakeholders and local people. This is not an adverse vfm conclusion.

Audit Fees

- 6 We agreed a fee of £9,764 for 2009/10. This is scale fee for the Town Council based on the fee formula set by the Audit Commission. When setting the fee at this level, I had assumed the accounts produced for audit would be compliant with FRSSE. Due to the need to carry out additional work we charged the Council an additional fee as agreed in our Annual Audit Letter.

Next steps

This report identifies the key messages that you considered before I issued my financial statements opinion, value for money conclusion, and audit closure certificate. It includes only matters of governance interest that have come to my attention in performing our audit. My audit is not designed to identify all matters that might be relevant to you.

7 I asked the Town Council to:

- consider the matters raised in the report before approving the financial statements;
- take note of the adjustments required to the financial statements;
- agree to adjust the errors in the financial statements I have identified which management has declined to amend or set out the reasons for not amending the errors (if applicable);
- take note of the value for money conclusion;
- approve the letter of representation before I issue my opinion and conclusion (Appendix 2); and
- agree your response to the proposed action plan (Appendix 3).

This was done prior to my opinion being given.

Financial statements

The Town Council's financial statements and annual governance statement are important means by which the Town Council accounts for its stewardship of public funds. As Town Council members you have final responsibility for these statements. It was important that you considered our findings before you adopted the financial statements and the annual governance statement.

Opinion on the financial statements

- 8 All outstanding matters have been satisfactorily cleared and I issued an audit report including an unqualified opinion on the financial statements. Appendix 1 contains a copy of my audit report.

Errors in the financial statements

- 9 This is the first year you have prepared your financial statements under FRSSE. As with many other councils, the accounts you presented did not comply with these requirements. In Table 2 I summarise the misstatements identified. Your officers amended the financial statements for these.

Table 2 Errors and uncertainties

I found misstatements in the financial statements

Item	Statements affected
Potential material uncertainty Uncertainty around fixed assets and basis for arrival at the disclosures in the financial statements as a result of the review of the underlying asset register. I have requested more information about this exercise.	Balance sheet - Tangible fixed assets Disclosure note - Tangible fixed assets
Potential material misstatement Omission of a disclosure note on Deferred Capital Grants balance of £328,000.	Note to the accounts
Misstatement- comparator figures There were errors in the restated comparator figures for 2008/09.	Comparators in the financial statements
Balance sheet - commuted sums The release of some commuted sums in 2010/11 not been reflected in the statements. Figures require amendment: - Within one year = £46,514	Balance sheet - commuted sums

Financial statements

<p>- After one year = £536,177.</p>	
<p>Statement of total recognised gains and losses My review identified the following:</p> <ul style="list-style-type: none"> • incorrectly inclusion of fixed asset revaluation (as the Council has adopted the historic cost approach this is no longer appropriate); • incorrect transfer of assets included of £28,368. 	<p>Statement of total recognised gains and losses Income and expenditure account - current year gain or loss</p>
<p>Pension disclosures - note 5 My review identified the following:</p> <ul style="list-style-type: none"> • move £26,000 included in exceptional items to direct costs; • the deficit figure of £460,000 is not disclosed; • no date of latest valuation; • reconciliation of the opening and closing scheme liability; • clarify the net costs of service table - clearer explanation of what charged to the income and expenditure account and the 'pension fund adjustment' line in this account; • prior year figures for pension liabilities and assets do not agree to the prior year figures or actuary's report; • incorrect classification of employer's contribution; should be shown as positive; • paragraph referring to FRS is not required. 	<p>Income and expenditure account Disclosure note - Pension disclosures</p>
<p>Note 6 - fixed assets Errors in Note 6 as follows:</p> <ul style="list-style-type: none"> • line included with no descriptor; • incorrectly cast; • Community Sites/Other Assets/Heritage Assets do not agree with prior year accounts; • figures do not agree with the asset register. • £6,261 of plants incorrectly capitalised; • Asset Transfer to Charities relating to removal of assets is an in-year disposal to the income and expenditure account. 	<p>Balance sheet - Tangible fixed assets Disclosure note - Tangible fixed assets</p>
<p>Post balance sheet events This is NOT an error but an additional disclosure. Insert wording: 'The Chancellor of the Exchequer announced in</p>	<p>Disclosure notes - post balance sheet events</p>

his Emergency Budget on 22 June 2010 that the consumer prices index rather than the retail prices index will be the basis for future public sector pension increases. Under FRSSE section 14 (post balance sheet events), this change is a non-adjusting post balance sheet event. I estimate that this change could reduce the value of an average employer's liabilities in the pension fund by around 6-8%.'

You need to obtain an estimate of the effect of the change and disclose the impact in a post balance sheet event disclosure.

- 10 In Table 3 I draw your attention to issues related to your accounting practices and financial reporting.

Table 3 Accounting practices

There are a number of areas where amendments were required

Issue	Response
<p>The accounts do not contain a clear statement within the basis of preparation that these accounts have been prepared for the first time following the FRSSE/Guidance explaining that the format of the statements has changed and that the comparative period has been restated in the newly adopted format</p> <p>The accounts do not include a clear statement of the changes from SoRP to FRSSE/Guidance and how the change has been accounted for.</p>	<p>Included a greater degree of disclosure.</p>
<p>In your financial statements you refer to Financial Reporting Standards (FRSs) other than FRSSE (e.g. FRS15 and 17) which are not applicable. By adopting and applying the FRSSE, larger local councils become exempt from applying more complex accounting standards such as Statements of Recommended Accounting Practice (SoRP) and other Financial Reporting Standards. For example, FRS17 no longer applies, but Part 4 of FRSSE adopts the principles of it.</p>	<p>Removed references to other FRSs.</p>

Financial statements

<p>Statement of Accounting Policies You omitted the following:</p> <ul style="list-style-type: none"> • a statement detailing any changes to the accounting policies from one period to another, including reasons for change and an analysis of the financial effect of the change; • policies on the accounting treatment for capital receipts, recognition and treatment of provisions and other liabilities, and post balance sheet events; • a note giving the adjustment for depreciation and calculation of the 'appropriate amount'; • the heritage assets depreciation rate is not mentioned in the policy; • the policy mentions non-operational assets which are not included as one of the categories in the fixed assets note. 	<p>Included / amended the relevant disclosures on accounting policies.</p> <p>Included depreciation policy for heritage assets in the accounting policies or if heritage assets are actually non-operational assets, change the description in the fixed assets note.</p>
<p>Income and Expenditure account Disclosure is inconsistent with the FRSSE:</p> <ul style="list-style-type: none"> • External Loan Interest and Net Return on Assets FRS17 are not exceptional items; • "Net Charge in accordance with FRS17" should be "Pension Fund Adjustment"; • Net Surplus/Deficit for Year to include wording "to General Fund"; • DMCC Other Costs not identified separately. 	<p>Amended income and expenditure account in line with FRSSE definition.</p>
<p>Balance Sheet My review identified the following:</p> <ul style="list-style-type: none"> • entry for Asset Revaluation Reserve is no longer required under FRSSE; • inconsistency with FRSSE format (e.g. "Investments" should be "Short-term Investments", "Debtors" should be 	<p>Removed entry for Asset Revaluation Reserve from Balance Sheet.</p> <p>Included / amended the relevant disclosures.</p>

<p>"Debtors & Prepayments");</p> <ul style="list-style-type: none"> "Total Assets less Liabilities" title required. 	
<p>Fixed assets The council continues its policy of depreciating the gross value of the asset and releasing the associated capital grant but has not made full disclosure in its accounting policies and identified in a note to the balance sheet any assets and grants subject to this treatment.</p>	<p>Disclosed the council's approach to capital grants in accounting policies and identify in a note to the balance sheet any assets and grants subject to this treatment.</p>
<p>My review of related party transactions identified the following:</p> <ul style="list-style-type: none"> disclosure of support for operation of Wood Green Open Air Swimming Pool does not disclose the value of transactions or balances owed by/to the party at the year-end disclosure is still required where members are a trustee on another body (even though they exclude themselves from Council decisions regarding transactions with that body). 	<p>Enhanced disclosure in respect of Wood Green Open Air Swimming Pool</p> <p>Reviewed disclosure in accordance with FRSSE requirements</p>
<p>Annual report My review identified the following:</p> <ul style="list-style-type: none"> exclusion of the annual report in the statement of accounts pack; incorrect reference in the Explanation of Accounting Statements in the Annual Report to the Statement of Movement in General Fund Balance and no reference to the Statement of Movement on Reserves. 	<p>Included annual report in the statement of accounts pack.</p> <p>Added Statement of Movement on Reserves disclosure and remove Statement of Movement on General Fund Balance disclosure.</p>
<p>Annual Governance Statement My review identified the following:</p> <ul style="list-style-type: none"> Omission of specific statements as detailed in Part 2 para 2.40 -49 of Governance & Accountability for Local Councils - A Practitioners' Guide (England); disclosure of significant issues from our work included in Review of Effectiveness, and not in Significant 	<p>Added the relevant disclosures to the governance statement.</p> <p>Moved disclosure of Significant issues raised by external audit to Significant Internal Control Issues.</p>

Financial statements

Internal Control issues.	
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Recommendation

R1 Improve the accounts production process to ensure compliance with the accounting practice and financial reporting standards.

Improvements to internal control

11 I set out in Table 4 the improvements in internal control I wish to raise with you. The impact of these is that I am unable to rely on controls to gain assurance over key systems. Instead I have to carry out additional substantive testing

Table 4 Internal control issues arising

There are issues arising on some systems controls

Issue	Response
<p>Payroll</p> <p>The council does not have procedures in place to ensure that contributions / deductions in respect of pensions, income tax & NI are being correctly calculated by the payroll system.</p> <p>Insufficient segregation of duties within the processing of the BACS payment for payroll</p>	<p>Put in place procedures to ensure contributions / deductions in respect of pensions, income tax & NI are being correctly calculated by the payroll system.</p> <p>Introduce segregation of duties in the payment of payroll via BACS each month (this could be achieved by one officer preparing the BACS batch and another electronically releasing it).</p>
<p>Fixed assets</p> <p>There was no procedure in place at the year end to carry out a physical verification of the fixed assets on the Council's balance sheet.</p> <p>(Also raised in 2008/09)</p> <p>Note that verification is now completed for 2009/10.</p>	<p>Implement</p> <ul style="list-style-type: none"> an annual verification check of the existence and condition of the Town Council's assets; a procedure to physically verify the Council's assets annually at or near to the year end.
<p>The Council has no SLA in place with RBS for accounting software and production of its final accounts.</p>	<p>Put in place an SLA with RBS for provision of accounting software and production of the final accounts.</p>

Recommendation

R2 Address the improvements to internal controls identified.

Other issues

12 There are no other issues I wish to bring to your attention.

Letter of representation

13 Before I issued my opinion, auditing standards required me to obtain appropriate written representations from you and management about your financial statements and governance arrangements. Appendix 2 contains the draft letter of representation I obtained from you.

Key areas of judgement and audit risk

14 In planning my 2009/10 audit I identified specific risks and areas of judgement that I have considered as part of my audit. Table 5 sets out my findings.

Table 5 Key areas of judgement and audit risk

Issue or risk	Finding
Accounts were not compliant with FRSSE.	I have identified in this report areas where your financial statements did not comply with FRSSE.
Errors in the accounts	I also identified errors in your financial statements. These required amendment.
The Council received an adverse vfm conclusion last year.	I issued a qualified vfm conclusion this year but not an adverse vfm conclusion.

Value for money conclusion

I am required to conclude whether the Town Council put in place adequate corporate arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the value for money conclusion.

Value for money conclusion

- 15** I assess your arrangements to secure economy, efficiency and effectiveness in your use of resources against criteria specified by the Audit Commission. The Audit Commission will specify each year, which of the use of resources key lines of enquiry (KLOE) are the relevant criteria for the value for money conclusion at each type of audited body.
- 16** I have identified weaknesses in your arrangements to secure economy, efficiency and effectiveness as set out in Table 6.

Table 6 Value for money conclusion

Criteria	Conclusions and observations for improvement
Does the organisation plan its finances effectively to deliver its strategic priorities and secure sound financial health?	The Town Council has met the requirements of the KLOE.
Does the organisation have a sound understanding of its costs and performance and achieve efficiencies in its activities?	The Town Council has met the requirements of the KLOE.
Is the organisation's financial reporting timely, reliable and does it meet the needs of internal users, stakeholders and local people?	The Town Council has not met the requirements of the KLOE. The specific reason identified is that the accounts presented for audit required a number of amendments to be compliant with FRSSE. This needs addressing in future sets of accounts.
Does the organisation promote and demonstrate the principles and values of good governance?	The Town Council has met the requirements of the KLOE.
Does the organisation manage its risks and maintain a sound system of internal control?	The Town Council has met the requirements of the KLOE.

- 17** I issued a qualified conclusion stating the Town Council had adequate arrangements to secure economy, efficiency and effectiveness in the use of resources stating that the Town Council had adequate arrangements to secure economy, efficiency and effectiveness in the use of resources except for having timely, reliable financial reporting that meets the needs of internal users, stakeholders and local people.
- 18** This is a qualified opinion, not an adverse opinion. I assessed the Council as meeting the criterion requirements for financial planning and financial health, understanding costs and achieving efficiencies and risk management and internal control in 2009/10 whereas I assessed these as not met in 2008/09.
- 19** Appendix 1 contains the wording of my report.

Appendix 1 - Independent auditor's report to Members of Banbury Town Council

Opinion on the financial statements

I have audited the accounting statements and related notes of Banbury Town Council for the year ended 31 March 2010 under the Audit Commission Act 1998. The accounting statements comprise the Income and Expenditure Account, the Statement of Movement of Reserves, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes. These accounting statements have been prepared under the accounting policies set out in the Statement of Accounting Policies.

This report is made solely to the members of Banbury Town Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 49 of the Statement of Responsibilities of Auditors and of Audited Bodies published by the Audit Commission in April 2008.

Respective responsibilities of the Responsible Financial Officer and auditor

The Responsible Financial Officer's responsibilities for preparing the accounting statements in accordance with relevant legal and regulatory requirements and the Financial Reporting Standard for Smaller Entities (Effective April 2008), are set out in the Statement of Responsibilities for the Statement of Accounts.

My responsibility is to audit the accounting statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the accounting statements give a true and fair view, in accordance with relevant legal and regulatory requirements and the Financial Reporting Standard for Smaller Entities (Effective April 2008).

I review whether the governance statement reflects compliance with 'Governance and Accountability for Local Councils: A Practitioners' Guide (England) 2010' published by the National Association of Local Councils (NALC) in 2010. I report if it does not comply with proper practices specified by NALC or if the statement is misleading or inconsistent with other information I am aware of from my audit of the accounting statements. I am not required to consider, nor have I considered, whether the governance statement covers all risks and controls. Neither am I required to form an opinion on the effectiveness of the Town Council's corporate governance procedures or its risk and control procedures

I read other information published with the accounting statements, and consider whether it is consistent with the audited accounting statements. This other information

Appendix 1 - Independent auditor's report to Members of Banbury Town Council

comprises the Annual Report. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the accounting statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with the Audit Commission Act 1998, the Code of Audit Practice issued by the Audit Commission and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounting statements and related notes. It also includes an assessment of the significant estimates and judgments made by the Town Council in the preparation of the accounting statements and related notes, and of whether the accounting policies are appropriate to the Banbury Town Council's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the accounting statements and related notes are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the accounting statements and related notes.

Opinion

In my opinion the Banbury Town Council accounting statements give a true and fair view, in accordance with relevant legal and regulatory requirements and the Financial Reporting Standard for Smaller Entities (Effective April 2008), of the financial position of the Town Council as at 31 March 2010 and its income and expenditure for the year then ended.

Conclusion on arrangements for securing economy, efficiency and effectiveness in the use of resources

Council Responsibilities

The Town Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance and regularly to review the adequacy and effectiveness of these arrangements.

Auditor's Responsibilities

I am required by the Audit Commission Act 1998 to be satisfied that proper arrangements have been made by the Town Council for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires me to report to you my conclusion in relation to proper arrangements, having regard to relevant criteria specified by the Audit Commission for other local government bodies specified by the Audit Commission and published in January 2009. I report if significant matters have come to my attention which prevent me from concluding that the Town Council has made such proper arrangements. I am not required to consider, nor have I considered, whether all aspects of the Town Council's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Qualified conclusion

I have undertaken my audit in accordance with the Code of Audit Practice. In so doing, I identified that the draft accounts approved by the Town Council did not comply with the requirements of the Financial Reporting Standard for Smaller Entities (Effective April 2008) and contained errors.

Having regard to the criteria specified by the Audit Commission for other local government bodies published by the Audit Commission in January 2009, and the supporting guidance, I am satisfied that, in all significant respects, Banbury Town Council made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2010, except for timely and reliable financial reporting that meets the needs of internal users, stakeholders and local people.

Certificate

I certify that I have completed the audit of the accounts in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Maria Grindley

September 2010
District Auditor

Audit Commission, Unit 5, ISIS business Centre, Horspath Road, Cowley, Oxford OX4 2RD

Appendix 2 – Draft letter of representation

To:

Maria Grindley
District Auditor
Audit Commission
Unit 5
Isis Business Centre
Horspath Road
Cowley
Oxford OX4 2RD

xx September 2010

Banbury Town Council - Audit for the year ended 31 March 2010

I confirm to the best of my knowledge and belief, having made appropriate enquiries of other officers of Banbury Town Council, the following representations given to you in connection with your audit of the Council's financial statements for the year ended 31 March 2010.

Compliance with the statutory authorities

I acknowledge my responsibility under the relevant statutory authorities for preparing the financial statements in accordance with the Code of Practice for Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice which presents fairly the financial position and financial performance of the Council and for making accurate representations to you.

Uncorrected misstatements

I confirm that I believe that the effects of the uncorrected financial statements misstatements listed in the attached schedule are not material to the financial statements, either individually or in aggregate. These misstatements have been discussed with those charged with governance within the Council and the reasons for not correcting these items are set out below.

Supporting records

All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the Council have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all Council and Committee meetings, have been made available to you.

Irregularities

I acknowledge my responsibility for the design and implementation of internal control systems to prevent and detect fraud or error.

There have been no:

- irregularities involving management or employees who have significant roles in the system of internal accounting control;
- irregularities involving other employees that could have a material effect on the financial statements; or
- communications from regulatory agencies concerning non-compliance with, or deficiencies on, financial reporting practices which could have a material effect on the financial statements.

I also confirm that I have disclosed:

- my knowledge of fraud, or suspected fraud, involving either management, employees who have significant roles in internal control or others where fraud could have a material effect on the financial statements; and
- my knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

Law, regulations, contractual arrangements and codes of practice

There are no instances of non-compliance with laws, regulations and codes of practice, likely to have a significant effect on the finances or operations of the Council.

The Council has complied with all aspects of contractual arrangements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

Compensating arrangements

There are no formal or informal compensating balancing arrangements with any of our cash and investment accounts.

Contingent liabilities

There are no other contingent liabilities, other than those that have been properly recorded and disclosed in the financial statements. In particular:

- there is no significant pending or threatened litigation, other than those already disclosed in the financial statements;
- there are no material commitments or contractual issues, other than those already disclosed in the financial statements; and
- no financial guarantees have been given to third parties.

Related party transactions

I confirm the completeness of the information disclosed regarding the identification of related parties.

Appendix 2 – Draft letter of representation

The identity of, and balances and transactions with, related parties have been properly recorded and where appropriate, adequately disclosed in the financial statements.

Post balance sheet events

Since the date of approval of the financial statements by the Council, no additional significant post balance sheet events that have occurred which would require additional adjustment or disclosure in the financial statements.

Signed on behalf of Banbury Town Council

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Appendix 3 – Action plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
Annual Governance Report 2009/10 - Recommendations						
11	Improve the accounts production process to ensure compliance with the accounting practice and financial reporting standards.	3	RFO	Yes	It is anticipated that many of the lessons learnt during the transition from SORP to FRSSSE this year will be able to be applied in a timely manner in future years.	31.3.11
12	Address the improvements to internal controls identified.	3	RFO	Yes	The Council will achieve segregation of payroll duties by the Town Clerk signing the transfer. A print out will be taken of the rates used in the Sage Payroll system in order to verify the correct rates are being used during the year.	30.9.10 31.3.11

Appendix 3 – Action plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
				Yes	An annual verification check of the existence and condition of the Town Council's assets will continue in future years.	31.3.11
				No	The Accounting Software provider RBS does not believe an SLA is appropriate. The Council is happy to maintain a widely used commercial practice of using a PO.	

The Audit Commission

The Audit Commission is an independent watchdog, driving economy, efficiency and effectiveness in local public services to deliver better outcomes for everyone.

Our work across local government, health, housing, community safety and fire and rescue services means that we have a unique perspective. We promote value for money for taxpayers, auditing the £200 billion spent by 11,000 local public bodies.

As a force for improvement, we work in partnership to assess local public services and make practical recommendations for promoting a better quality of life for local people.

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