

# St Austell Town Council



## Finance and General Purposes Committee

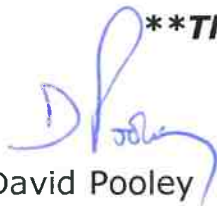
**To: All Members of the Finance and General Purposes Committee**

Dear Councillor

You are summoned to attend the **Remote Finance and General Purposes Committee Meeting** of **St Austell Town Council** to be held on **Monday 21<sup>st</sup> September 2020** at **6pm**.

Any member of the public wishing to attend this meeting, should obtain a password from the Clerk by no later than **12pm on Monday 21<sup>st</sup> September 2020**.

For security reasons, no person will be admitted to the meeting without prior notification to the Clerk that they wish to attend.



David Pooley  
**Town Clerk**

***\*\*This remote meeting will be held using Zoom\*\****

15<sup>th</sup> September 2020

Tel: 01726 829859  
Email: [david.pooley@staustell-tc.gov.uk](mailto:david.pooley@staustell-tc.gov.uk)  
Website: [www.staustell-tc.gov.uk](http://www.staustell-tc.gov.uk)

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## AGENDA

- 1. Apologies for absence**
- 2. Declarations of Interest**

(Purpose: To receive declarations of disclosable pecuniary and other non-registerable interests in respect of items on this agenda).

### **3. Dispensations**

(Purpose: To receive requests for dispensations under the Code of Conduct).

### **4. Minutes of meeting held on the 29<sup>th</sup> June 2020**

**Pages  
1 to 4**

(Purpose: To agree that the minutes of the above meeting be signed as a correct record). (Attached).

### **5. Matters to Note**

A verbal update from the Town Clerk on the actions taken since the last meeting. Note: No decision may be made under this agenda item.

### **6. Public participation (15 minutes maximum)**

The Chairman will invite members of the public to address the meeting in relation to the business to be carried out at the meeting.

15 minutes will be allocated for public participation (this can be extended at the Chairman's discretion). Each person addressing the Council will be allocated a maximum of two minutes.

### **7. Budget Monitoring Report**

**Pages  
5 to 10**

(Purpose: To review the Town Council's budget monitoring report for the period 1<sup>st</sup> April 2020 to 31<sup>st</sup> August 2020). (Report attached).

### **8. Budget Process and Timetable**

**Pages  
11 to 12**

(Purpose: To approve a budget process and timetable for the 2021/22 financial year). (Report attached).

### **9. Car Park Working Group**

(Purpose: To agree a process for reviewing the car park charges for the 2021/22 financial year).

### **10. St Austell Library – Phased re-opening**

(Purpose: To provide an update on the phased re-opening of St Austell Library). (Verbal update).

### **11. External Audit Report 2019/20**

**Pages  
13 to 20**

(Purpose: To note the External Audit Report for the 2019/20 financial year). (Attached).

## **12. Dates of Next Meetings**

(Purpose: To confirm the date of the Town Council's next Finance and General Purposes Committee: 9<sup>th</sup> November 2020).



**MINUTES of a REMOTE MEETING of the FINANCE AND GENERAL PURPOSES COMMITTEE held on MONDAY 29<sup>th</sup> JUNE 2020 at 6pm.**

**Present:** Councillors: Bishop, Brown, Cohen, French, Jones, Lanxon, Oxenham, Palmer and Styles.

**Also Present:** Councillors Bull and Thompson.

**In attendance:** David Pooley (Town Clerk), Sara Gwilliams (Deputy Town Clerk).

**F/19/69) Apologies for absence**

Apologies for absence were received from Councillors: Rees and Walker.

**F/19/70) Declarations of Interest**

There were no declarations of interest.

**F/19/71) Dispensations**

There were no requests for dispensations.

**F/19/72) Minutes of meeting held on 24<sup>th</sup> February 2020**

It was **RESOLVED** that the minutes of the meeting held on the 24<sup>th</sup> February 2020 be approved and signed as a correct record.

**F/19/73) Matters to Note**

The Clerk advised that further to minute number F/19/65, Poltair Café was due to open on 1<sup>st</sup> July, operating a takeaway service in the first instance. A photograph opportunity will be organised in a few weeks' time once the new tenants have settled in.

Arising from a question, the Clerk agreed to check the sign off status of the asbestos works in the library.

**F/19/74) Public participation**

There were no members of the public present.

**F/19/75) Budget Update**

The Clerk advised that he had promised to provide regular financial updates at the Council meeting on the 4<sup>th</sup> May 2020 and that the report in the agenda included the most recent projections for the current financial year. He advised that it was still very difficult to judge how some assets such as the car park would perform and to a large extent it depended on how the coronavirus pandemic progresses. He explained that car park income was usually in the order of £25,000 to £30,000 per month before the pandemic but that he was anticipating total income of approximately £130,000 in the current financial year which was a reduction of £165,000 against budget. He explained that the income for June with the £1 per entry charge had been in the region of £6,000.

The full charging regime would be introduced for July and hopefully with the opening of non-essential shops and services in the town centre from July, income levels should improve. It was difficult to estimate the speed of recovery of the town centre and a prudent approach had been taken to estimating car parking income. A lot will become clearer in the next few months.

The loss of car park income is offset to some extent by Government grants under the Coronavirus Job Retention Scheme. It is estimated that £48,000 will be received through this scheme.

Savings on salaries will be made by not filling two posts which have become vacant and project and discretionary spend will be restricted to the year end. It has been necessary to employ some additional contractors to help with waste and there are additional costs of signage, PPE and sanitising products and an additional vehicle has been hired temporarily to help with social distancing. The net result of these changes is that the Town Council could be in the region of £102,000 worse off than anticipated at budget time. When the Accounts were completed for the 2019/20 financial year, £91,000 was put into a reserve to help meet the impact of the coronavirus pandemic. This will be completely wiped out and a further £11,000 will be charged against the general reserve if the net result at the end of the year is as estimated.

The Clerk expressed the need for caution for the next few months and the need to hold back any large projects and new expenditure. He advised that he was seeking assistance by way of hardship funding from various sources, including Cornwall Council but there was a great deal of uncertainty about whether any such funds will be forthcoming.

In response to questions from Members the Clerk confirmed that the library and toilets would open early in July.

It was **RESOLVED** to:

1. Note the content of the report;
2. Bear in mind the financial situation when considering spending decisions throughout the remainder of this year.

It was **RESOLVED** to note the report.

#### **F/19/76) Budget Monitoring Report**

Members noted the variance against budget for the car park income which had been explained in detail in the previous agenda item.

It was **RESOLVED** to note the report.

#### **F/19/77) Re-Deployable CCTV Camera**

The Clerk advised that in the last budget setting round, a budget of £5,000 was set aside for a re-deployable mobile CCTV camera and that an opportunity has arisen to trial a camera for 2 weeks. He explained some anti social behaviour issues in the Bethel area and the proposed trial and possible purchase of a camera.

He advised that the camera is more expensive than the current budget and that he had approached the 6 St Austell Cornwall Councillors, Ocean and the Office of the Police and Crime Commissioner for a contribution. The camera would be linked to the CCTV suite in Newquay and be monitored live and re-deployed to other areas as and when felt necessary by the Police and Safer St Austell stakeholders.

Councillor Brown expressed his support for the re-deployable camera and advised that he was willing to contribute a significant sum from his Cornwall Councillor Community Chest budget, subject to the Bethel area having the benefit of the camera in the first instance. Other Members were generally supportive of the camera and Councillor Bull also agreed to contribute some funding from her Cornwall Councillor Community Chest budget.

It was **RESOLVED** to:

1. Note the report;
2. Authorise the Town Clerk to secure the purchase of a re-deployable camera if the trial is successful;
3. Authorise the Town Clerk to identify additional funding of up to £3,000 to secure the purchase of a re-deployable camera in the event that the full shortfall of funding cannot be secured from other sources.

#### **F/19/78) St Austell Library – Phased re-opening**

The Deputy Town Clerk introduced a report setting out arrangements for the re-opening of the library on Monday 6<sup>th</sup> July 2020. She explained that there would initially be a click and collect service utilising the foyer area and that books will be quarantined for up to 72 hours before being placed back into circulation. A booking system will be used to make appointments for individuals with time slots linked to an alphabetic division of surnames. Fines will be waived for the first month of operation and the operating procedures will be communicated widely. The operation of the Library will be reviewed on a monthly basis and additional services introduced when it is safe to do so.

Members enquired about access to historical records and academic papers and congratulated the Deputy Town Clerk for the efforts made to open the library.

It was **RESOLVED** to note the report.

#### **F/19/79) Code of Conduct**

The Clerk advised that the Local Government Association has produced a revised draft of the Model Code of Conduct which is trying to promote high standards of member behaviour and to provide a basis for a better system of sanctions. The Clerk expressed concern with regard to the section on "Civility" and the suggestion that "all local authorities" should form a panel to investigate allegations of a breach instead of "the principal authority"

Councillor Brown advised that Cornwall Council had set up a Working Group of the Standard Committee to look at the consultation.

It was **RESOLVED** to note the correspondence and ask all Members to submit their individual responses to the consultation paper should they wish by the 17<sup>th</sup> August deadline.

**F/19/80) Internal Audit Report**

It was **RESOLVED** to note the report.

**F/19/81) Dates of next meeting**

It was noted that the next meeting of the Finance and General Purposes Committee is due to take place on 21<sup>st</sup> September 2020.

The meeting closed at 7.16pm.



**ST AUSTELL TOWN COUNCIL**  
**FINANCE AND GENERAL PURPOSES COMMITTEE**  
**21st SEPTEMBER 2020**  
**BUDGET MONITORING REPORT**

**1. PURPOSE OF REPORT**

To provide Members with an update on expenditure and income to the 31<sup>st</sup> August 2020 and a copy of the Council's latest bank reconciliation statements.

**2. LEGAL AND RISK MANAGEMENT ISSUES**

It is a legal requirement for the Town Council to set a budget annually and it is good practice to monitor that budget at regular intervals. The Town Clerk monitors budgets on a monthly basis and provides regular budget monitoring reports to the Finance and General Purposes Committee. It is part of the remit of the Finance and General Purposes Committee to monitor and manage budgets on behalf of the Town Council.

**3. RESOURCE ISSUES**

None outside of existing budgets.

**4. EQUALITIES ISSUES**

None.

**5. ENVIRONMENTAL ISSUES**

None.

**6. RECOMMENDATIONS**

It is recommended that Members note the attached budget monitoring reports and bank reconciliation statement.

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DAVID POOLEY - TOWN CLERK

## ST AUSTELL TOWN COUNCIL

BANK RECONCILIATION AS AT:

31.8.20

	£	£
Business Current Account		167,082.01
Mayor's Charity Account		467.52
Business Direct Reserve Account		0.00
Petty Cash		204.07
Library Float		100.00
Total in Bank		<u>167,853.60</u>

3548

£250.00

Total Unpresented Cheques	<u>250.00</u>
	167,603.60

Outstanding receipts	0.00
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	<u>167,603.60</u>
<u>Accounting System Bank Balance:</u>	
Opening Bank Balance	48,395.06
Expenditure to date	415685.64
Income to date	<u>534894.18</u>
	167,603.60

Accounting System Payment Recorded but yet paid

0.00

Accounting System Bank Balance	<u>167,603.60</u>	0.00
		balanced

Note:

Attach Accounting Statement and remember to adjust for the Outstanding Accounting System Entries after balancing.

Reconciliation Completed:

Date: 1.9.20

Reviewed:

Date:

# Profit & Loss

	Actual	Budget	Var GBP	Var %	YTD Actual	YTD Budget	Var GBP	Var %
Cleaning & Domestic Supplies	643	608	35▲	5.7%▲	3,033	3,040	(7)▼	-0.2%▼
Electricity	234	675	(441)▼	-65.3%▼	2,235	3,375	(1,140)▼	-33.8%▼
Gas	161	250	(89)▼	-35.6%▼	630	1,250	(620)▼	-49.6%▼
Grounds Maintenance Supplies	160	1,829	(1,669)▼	-91.3%▼	7,027	9,145	(2,118)▼	-23.2%▼
Play Equipment	-	4,166	(4,166)▼	-100.0%▼	33,959	20,830	13,129▲	63.0%▲
Rates	6,794	7,027	(233)▼	-3.3%▼	35,725	35,135	590▲	1.7%▲
Rent / Room Hire	-	440	(440)▼	-100.0%▼	2,590	2,200	390▲	17.7%▲
Repairs / Maintenance Premises	1,272	3,433	(2,161)▼	-62.9%▼	7,148	17,165	(10,017)▼	-58.4%▼
Water	33	195	(162)▼	-83.0%▼	258	975	(717)▼	-73.5%▼
<b>Total Premises Expenses</b>	<b>9,297</b>	<b>18,623</b>	<b>(9,326)</b>	<b>-50.1%</b>	<b>92,605</b>	<b>93,115</b>	<b>(510)</b>	<b>-0.5%</b>
<b>Supplies and Services</b>								
Books and Publications	-	-	-	0.0%	-	50	(50)▼	-100.0%▼
Contract Payments	10,792	12,301	(1,509)▼	-12.3%▼	61,222	61,505	(283)▼	-0.5%▼
Insurances	-	-	-	0.0%	5,537	6,000	(463)▼	-7.7%▼
IT / Communications	921	1,483	(562)▼	-37.9%▼	7,850	7,415	435▲	5.9%▲
Mayors Allowances	-	62	(62)▼	-100.0%▼	-	310	(310)▼	-100.0%▼
Members/Allowance	-	20	(20)▼	-100.0%▼	-	100	(100)▼	-100.0%▼
Miscellaneous Expenses	518	3,172	(2,655)▼	-83.7%▼	7,205	15,860	(8,655)▼	-54.6%▼
Miscellaneous Grants	-	2,916	(2,916)▼	-100.0%▼	5,436	14,580	(9,144)▼	-62.7%▼
Office Supplies	101	354	(253)▼	-71.4%▼	765	1,770	(1,005)▼	-56.8%▼
Printing and Stationery	497	310	187▲	60.4%▲	1,613	1,550	63▲	4.1%▲
Protective Clothing	226	125	101▲	80.5%▲	823	625	198▲	31.7%▲
Publicity	600	116	484▲	417.2%▲	850	580	270▲	46.6%▲
Small Grants Scheme	65	666	(601)▼	-90.2%▼	1,445	3,330	(1,885)▼	-56.6%▼
Subscriptions	-	575	(575)▼	-100.0%▼	3,629	2,875	754▲	26.2%▲

# Profit & Loss



## St Austell Town Council 1 Aug 2020 to 31 Aug 2020

	Actual	Budget	Var GBP	Var %	YTD Actual	YTD Budget	Var GBP	Var %
<b>Income</b>								
Car Park Income	21,406	30,000	(8,594)▼	-28.6%▼	41,405	125,000	(83,595)▼	-66.9%▼
Council Tax Grant	-	-	-	0.0%	15,533	15,533	▼	0.0%▲
Interest Income	286	250	36▲	14.4%▲	1,541	1,250	291▲	23.3%▲
Library Income	-	916	(916)▼	-100.0%▼	-	4,588	(4,588)▼	-100.0%▼
Other Grants and Contributions	-	-	-	0.0%	56,855	-	56,855▲	0.0%
Other Income	-	50	(50)▼	-100.0%▼	1,651	250	1,401▲	560.4%▲
Precept Payments	-	-	-	0.0%	381,479	381,479	-	0.0%
Public Convenience Charges	-	360	(360)▼	-100.0%▼	-	1,780	(1,780)▼	-100.0%▼
Rent Received	-	878	(878)▼	-100.0%▼	2,882	4,390	(1,508)▼	-34.4%▼
<b>Total Income</b>	<b>21,692</b>	<b>32,454</b>	<b>(10,762)</b>	<b>-33.2%</b>	<b>501,347</b>	<b>534,270</b>	<b>(32,923)</b>	<b>-6.2%</b>
<b>Gross Profit</b>	<b>21,692</b>	<b>32,454</b>	<b>(10,762)</b>	<b>-33.0%</b>	<b>501,347</b>	<b>534,270</b>	<b>(32,923)</b>	<b>-6.0%</b>

### Less Operating Expenses

<b>Employee Expenses</b>								
Recruitment	-	150	(150)▼	-100.0%▼	-	700	(700)▼	-100.0%▼
Salaries / Wages	38,056	44,052	(5,996)▼	-13.6%▼	192,601	220,260	(27,659)▼	-12.6%▼
Training	465	700	(235)▼	-33.6%▼	495	3,500	(3,005)▼	-85.9%▼
<b>Total Employee Expenses</b>	<b>38,521</b>	<b>44,902</b>	<b>(6,381)</b>	<b>-14.2%</b>	<b>193,096</b>	<b>224,460</b>	<b>(31,364)</b>	<b>-14.0%</b>
<b>Premises Expenses</b>								

# Profit & Loss

6

	Actual	Budget	Var GBP	Var %	YTD Actual	YTD Budget	Var GBP	Var %
<b>Total Supplies and Services</b>	<b>13,719</b>	<b>22,100</b>	<b>(8,381)</b>	<b>-37.9%</b>	<b>96,375</b>	<b>116,550</b>	<b>(20,175)</b>	<b>-17.3%</b>
<b>Transport Related Expenses</b>								
Contract Hire and Operating Leases	1,241	1,087	154▲	14.2%▲	6,361	5,435	926▲	17.0%▲
Fuel	459	562	(103)▼	-18.3%▼	2,200	2,810	(610)▼	-21.7%▼
Other Transport/plant expenses	-	195	(195)▼	-100.0%▼	710	975	(265)▼	-27.2%▼
Repairs/ Maintenance-Vehicles/Plant	979	558	421▲	75.4%▲	1,861	2,790	(929)▼	-33.3%▼
Road Fund / Taxes	268	88	180▲	204.0%▲	268	440	(173)▼	-39.2%▼
Transport Insurance	-	208	(208)▼	-100.0%▼	154	1,040	(886)▼	-85.2%▼
Travel and Subsistence	-	98	(98)▼	-100.0%▼	6	490	(485)▼	-98.9%▼
<b>Total Transport Related Expenses</b>	<b>2,946</b>	<b>2,796</b>	<b>150</b>	<b>5.4%</b>	<b>11,559</b>	<b>13,980</b>	<b>(2,421)</b>	<b>-17.3%</b>
<b>Total Operating Expenses</b>	<b>64,483</b>	<b>88,421</b>	<b>(23,938)</b>	<b>-27.1%</b>	<b>393,634</b>	<b>448,105</b>	<b>(54,471)</b>	<b>-12.2%</b>
<b>Net Profit</b>	<b>(42,792)</b>	<b>(55,967)</b>	<b>13,175</b>	<b>24.0%</b>	<b>107,712</b>	<b>86,165</b>	<b>21,547</b>	<b>25.0%</b>



**ST AUSTELL TOWN COUNCIL**  
**FINANCE AND GENERAL PURPOSES COMMITTEE**  
**21st SEPTEMBER 2020**  
**BUDGET TIMETABLE**

**1. PURPOSE OF REPORT**

To agree a timetable for developing the Town Council's budget for the 2021/22 financial year.

**2. LEGAL AND RISK MANAGEMENT ISSUES**

The Town Council has to set its budget by late December 2020 or early January 2021 for the 2021/22 financial year.

The Town Council has completed an ambitious devolution project and assumed responsibility for several buildings, play areas and large areas of land. It is important that the Town Council explores a number of scenarios and considers its budget options for the forthcoming financial year at an early stage.

The impact of the coronavirus pandemic on the economy and the Council's services will be substantial and may not be fully known when the budgets are set. The economic downturn may have a negative effect on council tax base figures. Cornwall Council are in the process of completing a Community Governance Review and this may impact on the council's tax base. It is anticipated that the impact of the review will be known towards the end of the year.

The Council is permitted to hold informal meetings but must make any final decision with regard to budgets and precepts at a full Council meeting.

**3. RESOURCE ISSUES**

None outside of existing budgets.

**4. EQUALITIES ISSUES**

None.

## 5. ENVIRONMENTAL ISSUES

The Council has declared a climate emergency and expressed support for the Garden Town and Ceramics initiatives being led by SABEF. Both initiatives are expected to have an impact on the Town Council's budgets.

## 6. RECOMMENDATIONS

It is recommended that Members' approve the timetable set out below.

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### **Draft Budget Timetable**

6 <sup>th</sup> October 2020	Informal meeting to discuss progress to date, the general direction of the Council and the budget strategy.
October 2020	Draft budgets to be prepared.
November 2020	Cornwall Council announce Council Tax Base.
9 <sup>th</sup> November 2020	Finance & General Purposes Committee consider early budget setting issues/principles and draft budget.
14 <sup>th</sup> December 2020	Council meeting to approve budget and precept and Council Tax leaflet.

DAVID POOLEY  
TOWN CLERK



# Annual Governance and Accountability Return 2019/20 Part 3

## To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities\*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
  - are unable to certify themselves as exempt (fee payable); or
  - have requested a limited assurance review (fee payable)

## Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2019/20

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Part 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:
  - The **Annual Internal Audit Report** is completed by the authority's internal auditor.
  - **Sections 1 and 2** are to be completed and approved by the authority.
  - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published **before 1 July 2020**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2020**. Reminder letters will incur a charge of £40 +VAT:
  - the Annual Governance and Accountability Return Sections 1 and 2, together with
  - a bank reconciliation as at 31 March 2020
  - an explanation of any significant year on year variances in the accounting statements
  - notification of the commencement date of the period for the exercise of public rights
  - Annual Internal Audit Report 2019/20

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

## Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on a publicly accessible website:

Before 1 July 2020 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2019/20**, approved and signed, page 4
- **Section 2 - Accounting Statements 2019/20**, approved and signed, page 5

Not later than 30 September 2020 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

*\*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.*

## Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2019/20

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this Annual Governance and Accountability Return. *Proper Practices* are found in the *Practitioners' Guide\** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the Annual Governance and Accountability Return is complete (no highlighted boxes left empty), and is properly signed and dated. Where amendments are made by the authority to the AGAR after it has been approved by the authority and before it has been reviewed by the external auditor, the Chairman and RFO should initial the amendments and if necessary republish the amended AGAR and recommence the period for the exercise of public rights. If the AGAR contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- The authority **should** receive and note the annual internal audit report if possible before approving the annual governance statement and the accounts.
- Use the checklist provided below to review the Annual Governance and Accountability Return for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2020.
- Do not send the external auditor any information not specifically requested. However, **you must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, and provide relevant email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the Annual Governance and Accountability Return covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide\**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2019) equals the balance brought forward in the current year (Box 1 of 2020).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the period for the exercise of public rights. From the commencement date for a single period of 30 consecutive working days, the approved accounts and accounting records can be inspected. Whatever period the RFO sets it **must** include a common inspection period – during which the accounts and accounting records of all smaller authorities must be available for public inspection – of the first ten working days of July.
- The authority **must** publish the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2020**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?	✓	
	Has all additional information requested, including <b>the dates set for the period for the exercise of public rights</b> , been provided for the external auditor?	✓	
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?	✓	
Section 1	For any statement to which the response is 'no', has an explanation been published?	✓	
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?	✓	
	Has an explanation of significant variations from last year to this year been published?	✓	
	Has the bank reconciliation as at <b>31 March 2020</b> been reconciled to Box 8?	✓	
	Has an explanation of any difference between Box 7 and Box 8 been provided?	✓	
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? <b>NB:</b> do not send trust accounting statements unless requested.	✓	

**\*Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices.**  
can be downloaded from [www.nalc.gov.uk](http://www.nalc.gov.uk) or from [www.ada.org.uk](http://www.ada.org.uk)



## ST AUSTELL TOWN COUNCIL

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation **during** the financial year ended 31 March 2020.

The internal audit for 2019/20 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic and year-end bank account reconciliations were properly carried out.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. IF the authority certified itself as exempt from a limited assurance review in 2018/19, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2018/19 AGAR tick "not covered")			✓
L. The authority has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.	✓		
M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
	✓		

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

01/10/2019

11/02/2020

23/04/2020

Name of person who carried out the internal audit

S P HUDSON C.P.F.A.

Signature of person who  
carried out the internal audit

S. P Hudson

Date

23/04/2020

\*If the response is 'no' you must include a note to state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\*Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

INTERNAL AUDIT RESPONSE RECORD – ST AUSTELL TOWN COUNCIL

No	Recommendation	Management Response	Timescale/ Responsibility	Follow Up (for auditor use)
<b>Interim Report 2019/20</b>				
1	The Fidelity Guarantee is increased.	Agreed		Increased to £1 million - Closed
2	The checking of Library till rolls to banking information is included as part of the Member internal control checking regime. Checking of public convenience and car park takings could also be incorporated.	Agreed		Monitor 2020-21

## Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

St Austell Town Council

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2020, that:

	Agreed		Yes means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements	✓		prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances	✓		has only done what it has the legal power to do and has complied with Proper Practices in doing so.
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered and documented the financial and other risks it faces and dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		responded to matters brought to its attention by internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements	✓		disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
	✓		has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.

\*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

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

04/05/20

and recorded as minute reference:

C/19/152

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

Chairman

Clerk

*T. Swan*

*[Signature]*

Other information required by the Transparency Codes (not part of Annual Governance Statement)

Authority web address

[www.staustell-tc.gov.uk](http://www.staustell-tc.gov.uk)



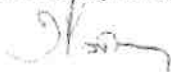
## Section 2 – Accounting Statements 2019/20 for

St Austell Town Council

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
1. Balances brought forward	415105	428054	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	591500	672800	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	372204	442660	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	433876	468501	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	516879	557361	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	428054	517652	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	499106	514342	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	311942	390499	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.
	✓		N.B. The figures in the accounting statements above do not include any Trust transactions

I certify that for the year ended 31 March 2020 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval



Date

27/04/2020

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

04/05/2020

as recorded in minute reference:

C/19/153

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



## Section 3 – External Auditor Report and Certificate 2019/20

In respect of

St Austell Town Council – SAC00212

### 1 Respective responsibilities of the body and the auditor

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 2020; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

### 2 External auditor report 2019/20

On the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

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

None

### 3 External auditor certificate 2019/20

We 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 2020.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature



Date

29/07/2020

\* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2019/20 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website ([www.nao.org.uk](http://www.nao.org.uk))

