



Local Councils in England

Annual return for the financial year ended 31 March 2014

Local councils in England with an annual turnover of £6.5 million or less must complete an annual return in accordance with proper practices summarising their activities at the end of each financial year. In this annual return the term 'local council' includes a Parish Meeting, a Parish Council and a Town Council.

The annual return on pages 2 to 5 is made up of four sections:

- Sections 1 and 2 are completed by the person nominated by the local council.
- Section 3 is completed by the external auditor appointed by the Audit Commission.
- Section 4 is completed by the local council's internal audit provider.

Each council must approve this annual return no later than 30 June 2014.

Completing your annual return

Guidance notes, including a completion checklist, are provided on page 6 and at relevant points in the annual return.

Complete all sections highlighted in green. Do not leave any green box blank. Incomplete or incorrect returns require additional external audit work and may incur additional costs.

Send the annual return, together with your bank reconciliation as at 31 March 2014, an explanation of any significant year on year variances in the accounting statements and any additional information requested, to your external auditor by the due date.

Your external auditor will identify and ask for any additional documents needed for audit. Therefore, unless requested, do not send any original financial records to the external auditor.

Audited and certified annual returns will be returned to the local council for publication or public display of sections 1, 2 and 3. You must publish or display the audited annual return by 30 September 2014.

It should not be necessary for you to contact the external auditor or the Audit Commission directly for guidance.

More guidance on completing this annual return is available in the Practitioners' Guide for local councils that can be downloaded from www.nalc.gov.uk or from www.slcc.co.uk

Section 1 – Accounting statements 2013/14 for

Enter name of
reporting body here:

TENKESBURY TOWN

Council/Meeting

Readers should note that throughout this annual return references to a 'local council' or 'council' also relate to a parish meeting.

	Year ending		Notes and guidance		
	31 March 2013 £	31 March 2014 £	Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.		
1 Balances brought forward	72852	68606	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 (+) Annual precept	240700	240700	Total amount of precept received or receivable in the year.		
3 (+) Total other receipts	85259	111662	Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received here.		
4 (-) Staff costs	132083	141025	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.		
5 (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the council's borrowings (if any).		
6 (-) All other payments	198122	182868	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	68606	127075	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6)		
8 Total cash and short term investments	95439	114057	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 other long term investments and assets	3230621	3230621	The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the council 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 Disclosure note	yes	no	yes	no	The council acts as sole trustee for and is responsible for managing trust funds or assets. The figures in the accounting statements above do not include any trust transactions.
Trust funds (including charitable)	N/A		N/A		

I certify that for the year ended 31 March 2014 the accounting statements in this annual return present fairly the financial position of the council and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer

[Signature]

Date

30/05/2014

I confirm that these accounting statements were approved by the council on this date:

30/06/2014

and recorded as minute reference:

10064(5)

Signed by Chair of the meeting approving these accounting statements.

[Signature]

Date

30/06/2014

Section 2 – Annual governance statement 2013/14

We acknowledge as the members of:

THURKESBURY TOWN

Council/Meeting

our responsibility for ensuring that there is a sound system of internal control, including 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 2014, that:

	Agreed –		'Yes' means that the council:
	Yes	No*	
1 We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	prepared its accounting statements in the way prescribed by law.
2 We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	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 the council to conduct its business or on its finances.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	during the year has given all persons interested the opportunity to inspect and ask questions about the council's accounts.
5 We carried out an assessment of the risks facing the council and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	considered the financial and other risks it faces and has dealt with them properly.
6 We maintained throughout the year an adequate and effective system of internal audit of the council accounting records and control systems.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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 the council.
7 We took appropriate action on all matters raised in reports from internal and external audit.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	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 the council and, where appropriate have included them in the accounting statements.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.
9 Trust funds (including charitable) – in our capacity as the sole managing trustee we discharged our responsibility in relation to the accountability for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	<input type="checkbox"/>	<input type="checkbox"/>	has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.

This annual governance statement is approved by the council and recorded as minute reference

10064(5)
dated 30/06/2014

Signed by:

Chair

dated

Signed by:

Clerk

dated

C. Daniels

30/06/2014

Tony Berrie

30/06/2014

*Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the council will address the weaknesses identified.

Section 3 – External auditor certificate and opinion 2013/14

Certificate

We certify that we have completed the audit of the annual return for the year ended 31 March 2014 of

THURKESBURY TOWN

Council/Meeting

Respective responsibilities of the council and the auditor

The council is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The council prepares an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2014; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to conduct an audit in accordance with guidance issued by the Audit Commission and, on the basis of our review of the annual return and supporting information, to report whether any matters that come to our attention give cause for concern that relevant legislation and regulatory requirements have not been met.

External auditor report

(Except for the matters reported below)* on the basis of our review, in our opinion the information in the annual return is in accordance with proper practices and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.
(*delete as appropriate).

See attached sheet

(continue on a separate sheet if required)

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

See attached sheet

(continue on a separate sheet if required)

External auditor signature

Barrie Morris

External auditor name

Barrie Morris for Grant Thornton UK LLP

Date

29/8/14

Note: The auditor signing this page has been appointed by the Audit Commission and is reporting to you that they have carried out and completed all the work that is required of them by law. For further information please refer to the Audit Commission's publication entitled Statement of Responsibilities of Auditors and of Audited Small Bodies.

Section 4 – Annual internal audit report 2013/14 to

THANKSBURY TOWN

Council/Meeting

The council's internal audit, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2014.

Internal audit has been carried out in accordance with the council'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 the council.

Internal control objective	Agreed? Please choose only one of the following		
	Yes	No*	Not covered**
A Appropriate accounting records have been kept properly throughout the year.		No	
B The council's financial regulations have been met, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.		No	
C The council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.		No	
D The annual precept requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.		No	
E Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.		No	
F Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	Yes	No	
G Salaries to employees and allowances to members were paid in accordance with council approvals, and PAYE and NI requirements were properly applied.	Yes		
H Asset and investments registers were complete and accurate and properly maintained.		No	
I Periodic and year-end bank account reconciliations were properly carried out.	Yes		
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, were supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded.		No	
K Trust funds (including charitable) The council met its responsibilities as a trustee.	Yes	No	Not applicable

NOT APPLICABLE

For any other risk areas identified by the council (list any other risk areas below or on separate sheets if needed) adequate controls existed:

Name of person who carried out the internal audit *PHILIP R HOOD F.M.A.T.*

Signature of person who carried out the internal audit *[Signature]* Date *30/05/2014*

*Note: If the response is 'no' please 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, internal audit must explain why not (add separate sheets if needed).

Guidance notes on completing the 2013/14 annual return

- 1 You must apply proper practices for preparing this annual return. Proper practices are found in the Practitioners' Guide* which is updated from time to time and contains everything you should need to prepare successfully for your financial year-end and the subsequent audit. Both NALC and SLCC have helplines if you want to talk through any problem you encounter.
- 2 Make sure that your annual return is complete (i.e. no empty green boxes), and is properly signed and dated. Avoid making any amendments to the completed return. But, if this is unavoidable, make sure the amendments are drawn to the attention of and approved by the council, properly initialled and an explanation is provided to the external auditor. Annual returns containing unapproved or unexplained amendments will be returned unaudited and may incur additional costs.
- 3 Use the checklist provided below. Use a second pair of eyes, perhaps a council member or the Chair, to review your annual return for completeness before sending it to the external auditor.
- 4 Do not send the external auditor any information not specifically asked for. Doing so is not helpful. However, you must notify the external auditor of any change of Clerk, Responsible Finance Officer or Chair.
- 5 Make sure that the copy of the bank reconciliation which you send to your external auditor with the annual return covers all your bank accounts. If your council holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree your bank reconciliation to Box 8 on the Accounting Statements (Section 1). You must provide an explanation for any difference between Box 7 and Box 8. More help on bank reconciliation is available in the Practitioners' Guide*.
- 6 Explain fully significant variances in the accounting statements on page 2. Do not just send in a copy of your detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete analysis to support your explanation. There are a number of examples provided in the Practitioners' Guide* to assist you.
- 7 If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or you do not fully explain variances, this may incur additional costs for which the auditor will make a charge.
- 8 Make sure that your accounting statements add up and the balance carried forward from the previous year (Box 7 of 2013) equals the balance brought forward in the current year (Box 1 of 2014).
- 9 Do not complete section 3. The external auditor will complete it at the conclusion of the audit.

Completion checklist – 'No' answers mean you may not have met requirements		Done?
All sections	All green boxes have been completed?	
	All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit.	
Section 1	Council approval confirmed by signature of Chair of meeting approving accounting statements?	
	An explanation of significant variations from last year to this year is provided?	
	Bank reconciliation as at 31 March 2014 agreed to Box 8?	
	An explanation of any difference between Box 7 and Box 8 is provided?	
Sections 1 and 2	Trust funds – all disclosures made if council is a sole managing trustee? NB: Do not send trust accounting statements unless requested.	
Section 2	For any statement to which the response is 'no', an explanation is provided?	
Section 4	All green boxes completed by internal audit and explanations provided?	

*Note: Governance and Accountability for Local Councils in England – A Practitioners' Guide is available from your local NALC and SLCC representatives or from www.nalc.gov.uk or www.slcc.co.uk

This page is part of Section 3 - External auditor certificate and opinion 2013/14

**Tewkesbury Town Council
Audit Report for the year ended 31 March 2014**

Matters reported

Internal Controls

Accounting records were not properly kept throughout the year due to the long term sickness of the clerk and the failure of the council to appoint a replacement promptly. The council must maintain an adequate system of internal controls, including measures designed to prevent and detect fraud and corruption. The Town Council should ensure that internal financial controls are fully documented and periodically reviewed.

We understand that the council has updated its systems and controls and has appointed a permanent clerk and RFO since the year end.

Compliance with laws regulations and proper practices

The council made payments without considering the lawfulness of the payments and without the implementation of an adequate system of internal control. The council is unable to state that it has only done what it has the legal power to do.

We understand that the council has taken steps to implement an adequate system of internal control and will ensure that all payments are supported by the legal power under which they are made.

This page is part of Section 3 - External auditor certificate and opinion 2013/14

Tewkesbury Town Council
Audit Report for the year ended 31 March 2014

Matters reported - continued

Risk Assessment

We note that the council has not undertaken a assessment. Risk management is not just about insurance. It is about achieving the objectives of the parish council to deliver high quality public service. Members are ultimately responsible for risk management because risks threaten the achievement of policy objectives. As a minimum, members should: -

- take steps to identify the key risks facing the Town council
- evaluate potential consequences to the council if an event identified as a risk takes place; and
- decide upon appropriate measures to avoid, reduce or control the risk or its consequences. This might involve insurance or the implementation of internal controls.

More guidance on risk management can be found in the NALC / SLCC publication "Governance and Accountability in Local Councils in England and Wales – A Practitioners Guide".

We understand that the council has undertaken a risk assessment since the year end.

Other matters not affecting our opinion which we wish to draw to the attention of Tewkesbury Town Council for the year ended 31 March 2014

Financial Regulations

The Council did not meet its Financial Regulations, payments made by the council were not supported by invoices. The council should ensure that they follow their financial regulations. A model set of Financial Regulations is available from the National Association of Local Councils. Financial Regulations should be adopted and periodically reviewed.

We understand that the council has adopted updated Standing Orders and Financial Regulations since the year end.



This page is part of Section 3 - External auditor certificate and opinion 2013/14

Tewkesbury Town Council

Audit Report for the year ended 31 March 2014

Other matters not affecting our opinion which we wish to draw to the attention of Tewkesbury Town Council for the year ended 31 March 2014 - continued

Petty Cash

The internal auditor has answered "no" to objective F section 4. The council has stated that it "strongly" disagrees with this assessment. The evidence suggests that the Council has met some of objective F.

Accounting for Fixed Assets

It has come to our attention that Box 9 of Section 1 of the Annual Return – the Accounting Statements includes fixed assets valued at insurance value.

Local councils are required to account for fixed assets at purchase cost. If this is not known a proxy cost should be substituted (e.g. insurance value). Commercial concepts of depreciation or impairment adjustments, etc are not appropriate for local councils. For reporting purposes therefore, the 'book' value of fixed assets will usually therefore stay constant until disposal. Where insurance value has been used as a proxy, it should not be adjusted for annual changes.

Guidance on accounting for fixed assets is available in the NALC / SLCC publication Governance and Accountability for Local Councils – A Practitioners Guide.

Previous internal and external audit reports

It has come to our attention that in previous years audit reports were not placed before the council and that the recommendations made were not always implemented. The council should minute the discussion of all internal and external audit reports. If there are no issues to discuss it is still good practice to note this in the minutes. It has been noted that the most recent internal audit report was placed before the council and that the council is currently in the process of implementing the recommendations made.

A handwritten signature in black ink, appearing to read "Sam M...".

for Grant Thornton UK LLP

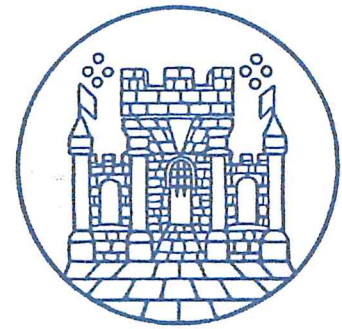
Date 29/8/14.

Our ref GLS228

External Auditor – Additional Information

Item	31 March 2014 £	31 March 2015 £	Notes
1 - Balances	68,606	108,654	Different from item 7 (2014) as War Memorial funding was included in 2014 – not included in 2015
2 – Annual Precept	240,700	240,700	
3 – Total other receipts	141,662	149,357	<i>Incorrect figures in earlier submission – now corrected</i>
4 – Staff Costs	141,025	98,386	Staff costs have reduced significantly after the appointment of a fulltime clerk and reduction in locum clerk costs – also outsourcing of cleaning staff
5 – Loan etc	0	0	
6 – All other payments	182,868	332,187	Variation includes – <ul style="list-style-type: none"> • Play areas £10K • Severance package town clerk £25K • Court case costs £25K • Town hall improvement project £60K • £8K Museum Grant • £10K Watson Hall Capital works • Paying other outstanding bills from 2014 approx £12K
7 – Balances	127,075	68,138	
8 – Total Cash	114,057	68,352	Variation is £214 – un-cashed cheques
9 – Total fixed assets	3,230,621	3,230,621	
10 – Total borrowings	0	0	

TEWKESBURY
TOWN COUNCIL



Grant Thornton UK LLP

Hartwell House

55-61 Victoria Street

BRISTOL BS1 6FT

1 July 2014

Dear Sir

AUDIT 2013/14

I have pleasure in enclosing the information requested in your letter of 14 March. May I start by acknowledging, with thanks, your agreement to an extension of time to submit this Annual Return.

A. Annual Return

The fully completed Annual Return is enclosed.

B. Year end bank reconciliation - appendix 1

C. Explanations of variations in excess of 15%

Line 3 – Other income. Increase (£141662-£85259) = £56403 (66%)

Local Council Tax Support Grant	+£27768
Rental income	+£ 6442
Grants received	+£13200
Sundry other items (a breakdown of these cannot be ascertained)	+£ 8993
TOTAL	+£56403

Line 7 – Balances carried forward. Increase (£127075-£68606) = £58469 (85%)

Increase in reserves in the light of your comment last year.

Line 8 – Cash carried forward. Increase (£114057-£95439) = £18618 (19%)

As line 7 but after adjustments for debtor / creditor figures.

D. Explanation of difference between line 7 & line 8

Figure in box 8	£114057
- creditors 31/3/14	nil
+ debtors – VAT refund	£ 9787
+ debtors - Various for hall hirings	£ 3231
Figure in box 7	£127075

E. Explanation for statements in s.2 to which the answer is “no” and proposals to remedy any shortcomings

2. Members were not made fully aware of their responsibilities in this area. Although there were a couple of in-house checks undertaken during the year these were inadequate and thus council cannot assert that it properly accepted responsibility for safeguarding public money. From this point on members will be trained in the proper procedures for effecting internal checks and controls and they will be undertaken not less frequently than bi-monthly by a random choice of members on a rotational basis.

3. In respect of payments made by the council no authority for them was quoted - until the very end of the year - thus it is impossible to state that the council has only done what it has the legal power to do, or that it has complied with proper practices. The council does not have the General Power of Competence. From 2014/15 all payments made will be supported by the legal power under which they are made.

5. Internal controls and overall risk assessment were not undertaken by members probably because they were unaware of their responsibilities in these areas. This has now been corrected.

F. Explanation of “no” responses in s.4 and proposals for remedying failures

A. Proper accounting records were not kept throughout the year due to prolonged absence of the Clerk and her temporary replacement not being familiar with the accounting system in place. The system in place for 2014/15 is an excel spreadsheet tailored to produce a comprehensive set of reports. Council rejected a suggestion during the latter half of 2013/14 to purchase a

recognised accounting system and serious consideration will be given to purchase this for 2015/16 onwards.

B. Council's Financial Regulations were long out of date; the latest version recommended by NALC was adopted after the year end. Invoices could not be produced for all the sample transactions, expenditure was approved by council and minuted however there was no identification of the authority for payment until towards the year end, thus the legality of those payments could not be confirmed. VAT was properly accounted for in respect of expenditure.

Financial Regulations (recently updated and adopted) will be adhered to in respect of obtaining competitive quotes / tenders etc for expenditure and contracts falling within certain bands. A comprehensive numbering and filing system is in place to enable a valid audit trail to be established for every transaction. Every transaction will have a reference to the statutory power under which it is made.

C. There was no effective Risk Assessment policy; one has been adopted since 1 April 2014.

Internal controls will now be undertaken properly and there will be an annual review of the adequacy of the arrangements and of insurance cover and these will be minuted.

D. It appears there was an adequate budgeting process although there is no minute approving that budget, only the precept. Review of actual income and expenditure against budget was not undertaken.

The lack of budget monitoring was caused by staffing difficulties and non-familiarity with the accounting system. From 1 April 2014 a system is in place to produce detailed reports under all budget headings. There are no specific reserves.

E. Expected income was received, properly recorded and promptly banked. Several customers were paying hiring rates many years out of date, ie those rates had not been regularly reviewed. No VAT was charged on income; this has now been corrected from 1 April 2014.

A revised and simplified booking fee structure is under review to be implemented in the near future; booking forms will be re-designed and VAT will be charged and accounted for. Cash handling procedures have been tightened to ensure dual control at all times.

F. Petty cash. We strongly disagree with the Internal Auditor on this point. Proper records are maintained, expenditure is authorised and reported to Council, VAT is accounted for where appropriate, replenishment is maintained at a workable level (£200) and spot checks are made of cash in hand.

H. There were no investments. The asset register was not up to date and values entered were on an incorrect basis ie insured or current value as opposed to cost of acquisition.

The asset register is in the course of re-writing and will value assets in accordance with regulations. The register will be updated with additions / deletion during the year and reviewed annually at the time of insurance renewal. An asset management review is to take place imminently.

J. The accounting statements were prepared on the correct basis ie income and expenditure. Agreement to the cash book was not possible and there was an incomplete audit trail for reasons explained later.

Accounting statements will be prepared regularly and signed by the Clerk and a member. With the introduction of a new accounting system (excel this year, and an approved package from 2015/16) these will be readily available at any time. These systems will also accurately identify debtors and creditors to enable outstanding income / expenditure to be identified quickly during the year, and at the year end.

G. Earmarked reserves as at 31 March 2014 – NIL

H. Intermediate audit additional information:

In support of assertion 1

- a. Minutes of full council meeting at which the 2013/14 financial statements were approved by council: appendix 2
- b. Copy of detailed financial statements - appendix 3
- c. Copy of each bank statement as at 31 March 2014 - appendices 4 & 5
- d. Copy of the asset register attached - appendix 6. We regret that we can find no asset register to support the figure in last year's annual return so have carried the same figure forward to 2013/14 in the belief that no assets have been acquired or disposed of. The register enclosed is compiled from the recently reviewed insurance schedule. A detailed asset register, compiled on the correct asset values, will be produced within the next 2 months.

In support of assertion 7

- a. Minutes of meetings where Internal Auditor's reports were discussed: there is no record of the report being discussed.
- b. Minutes of meetings where External Auditor's reports were discussed: there is no record of the report being discussed.
- c. Action taken in respect of auditors' reports:

There were no issues arising from the Internal Auditors report.

The External Audit commented on the low level of reserves; these have now increased to around 52% of the precept.

In conclusion I would like to point out the exceptionally difficult time this Council has experienced over the last year. The Clerk was on long term sickness from July; from then until November the previous Clerk (who had retired 5 years earlier 'held the fort'. In November I was

appointed as part time Locum Clerk. No bank reconciliation had been undertaken since July and the accounting package in use was not one with which I was familiar. From July onwards no proper accounting system was in place and it was not until the year end that any reasonably accurate financial position could be ascertained.

With regard to the year-end situation the income and expenditure figures have been calculated from totaling the entries on the bank statement (excluding transfers) and identifying, within those totals, a number of items which could be quantified from other records, namely the precept, Local Council Tax Support Grant and payroll costs. All other figures are 'best estimate' although reference has been made to the incomplete records from the accounting package.

We appreciate that this is a far from satisfactory state of affairs but the figures now presented are as close as it is possible to get to an accurate and true picture.

As the Locum Clerk I was asked to undertake a full internal audit at the end of 2013 and this identified a host of shortcomings in virtually every area of activity - a copy is available if required. Council has taken on board those comments and procedural changes have been made and will continue to be made to bring things in to line.

This is a very regrettable state of affairs but Council would wish to assure you and it's electorate that they have taken all audit comments seriously and with a new and very experienced Clerk recently appointed it is confident that the worst is behind it.

Yours very truly



RICHARD S CRIGHTON CILCA
LOCUM CLERK