

**REDRUTH TOWN
COUNCIL**



**CONSEL AN DRE
RESRUDH**

The Chambers, Penryn Street, Redruth, Cornwall TR15 2SP

Tel No: 01209-210038 e-mail: admin@redruth-tc.gov.uk

Town Mayor: Cllr Ms D L Reeve

Town Clerk: P B Bennett

See Distribution

Our Reference:
RTC/460/2/Mtg
Date:
11th July 2018

Dear Councillor

Audit & Accounting Governance Committee Meeting – 16th July 2018

You are summoned to attend a Meeting of the Redruth Town Council Audit & Accounting Governance Committee to be held on Monday 16th July 2018 at The Chambers, Penryn Street, Redruth, commencing at 7 p.m.

The Agenda and associated papers are enclosed for your reference and information.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P B Bennett', with a long horizontal line extending to the right.

Peter Bennett
Town Clerk

Enclosures:

Agenda and associated documentation.

Distribution:

Action:

Cllr Barnes
Cllr Mrs Biscoe
Cllr Mrs Davidson
Cllr Mrs Ellenbroek
Cllr Garrick
Cllr Ms Reeve
Cllr Dr Spargo

Information:

All other Town Councillors
Press & Public

Redruth Town Council
Audit & Accounting Governance Committee Meeting – 16th July 2018
AGENDA

PART I – PUBLIC SESSION

1. To receive apologies for absence.
2. Members to declare any disclosable pecuniary interests or non-registerable interests (including details thereof) in respect of any item(s) on this Agenda.
3. *To suspend Standing Orders to allow the public to speak.*
4. To allow the public to put questions to the Council on any item on this agenda.
5. *To reinstate Standing Orders.*
6. To confirm the Minutes of the:
 - 6.1 Meeting of the Audit & Accounting Committee held on 23rd April 2018. [Minutes attached]
7. Town Clerk's Report. [See report attached]
8. To review Income/Expenditure for the quarter ending June 2018. [See schedule attached]
9. To receive a report from Committee Members responsible for carrying out Internal Control checks for 1st Quarter 2018-2019. [See report attached]



The Chambers, Penryn Street, Redruth, Cornwall TR15 2SP

Tel No: 01209-210038 e-mail: admin@redruth-tc.gov.uk

Town Mayor: Cllr T H Biscoe

Town Clerk: P B Bennett

Minutes of a Meeting of the Redruth Town Council Audit & Accounting Governance Committee held in The Council Chamber, The Chambers, Penryn Street, Redruth on Monday 23rd April 2018

Present: Cllr Dr T Spargo Chairman
Cllr Mrs A Biscoe
Cllr H Biscoe
Cllr Mrs J Davidson
Cllr C Garrick
Cllr Ms D Reeve

In attendance: Mr P B Bennett Town Clerk
Cllr I Thomas

PART I – PUBLIC SESSION

1242.1 Apologies for absence.

1242.1.1 Apologies were received from Cllrs Chappell (unwell) and Tremayne (other commitments).

1242.2 Members to declare any disclosable pecuniary interests or non-registerable interests (including details thereof) in respect of any item(s) on this Agenda.

1242.2.1 None.

1242.3 To confirm the minutes of:

The Audit & Accounting Governance Committee Meeting held on 22nd January 2018:

1242.3.1 RESOLVED by a majority that the minutes of the Audit & Accounting Governance Committee Meeting held on Monday 22nd January 2018 were a true and accurate record of proceedings. [Proposed: Cllr Ms Reeve; Seconded: Cllr Mrs Biscoe] Cllrs H Biscoe and Mrs Davidson abstained as they were not present at the meeting.

1242.4 Town Clerk's Report

1242.4.1 The Town Clerk's report had been circulated prior to the meeting and was noted.

1242.4.2 It was noted that Cllrs Mrs Biscoe and Garrick had been unable to carry out the Committee's final quarter audit checks and therefore they agreed to do the first quarter of FY 2018-19.

1242.5 To review Income & Expenditure for the quarter ending March 2018

1242.5.1 Unanimously RESOLVED that the Income & Expenditure for the period ending March 2018 is agreed and meets the expected budgetary requirements. [Proposed: Cllr Mrs Davidson; Seconded: Cllr Biscoe]

- 1242.6 **To review and confirm arrangements for insurance cover in respect of all insured risks for 2018-2019**
- 1242.6.1 A report was circulated prior to the meeting along with a copy of the proposed insurance schedule for 2018-2019 as produced by our insurers, Zurich Municipal. Members discussed the report and were content to agree that the insurance schedule met the Council's current requirements.
- 1242.6.2 Unanimously RESOLVED that the insurance schedule proposed for 2018-2019 met the Council's current requirements. [Proposed: Cllr Biscoe; Seconded: Cllr Mrs Davidson]
- 1242.7 **To receive a report from the independent internal auditor for the financial year ending 31st March 2018**
- 1242.7.1 A report from the independent internal auditor had been circulated prior to the meeting. The Town Clerk/RFO took Members through the report highlighting any issues raised. He advised that Recommendation 1 relating to checking of suppliers bank details was already in place, and that Recommendation 2 relating to the asset register would be addressed before the next meeting of this committee. Overall the committee were satisfied with the comprehensive report produced which had only highlighted a number of minor issues.
- 1242.7.2 Unanimously RESOLVED that the report from the independent internal auditor be accepted and that the appropriate action is taken in respect of the recommendations made. [Proposed: Cllr Biscoe; Seconded: Cllr Mrs Davidson]
- 1242.8 **To consider and make recommendations to Council in respect of the Town Council accounts for the year ended 31st March 2018**
- 1242.8.1 Members considered a report circulated prior to the meeting concerning the Town Council accounts for the year ended 31st March 2018. The Town Clerk/RFO then took the Members through all the information relating to the accounts prior to any decision being taken.
- 1242.8.2 Unanimously RESOLVED that the following proposals are placed before Council:
- a. That this committee recommends that Council approves the Statement of Assurance in Section 1 of the Annual Return, as outlined above, and primarily evidenced by the work of our independent internal auditor and this committee's work on internal audit checks, thereby accepting our responsibility for the preparation of the statement of accounts and for the Council's internal controls.
 - b. That this Committee recommends to the Council that the Town Council Accounts for Year Ending 31st March 2018 be approved and signed off at Section 2 of the Annual Return.
 - c. That this committee recommends that Council in approving the Statement of Accounts in Section 2 of the Annual Return confirms the explanation of the variances exceeding +/- 15% for Boxes 2, 3, 6, 9 and 10, and the difference between Boxes 7 & 8.
 - d. Approves the inclusion of all internal audit reports, completed by both the independent internal auditor and this committee.
 - e. That committee recommends the Council notes with gratitude the work of the internal independent auditor and his reports.
- [Proposed: Cllr Spargo; Seconded: Cllr Biscoe]

Chairman

Redruth Town Council

Town Clerks Report – Audit & Accounting Governance Committee

Meeting Date: 16th July 2018

Min No	Item	Action	Response
1242.7	Recommendation from last Independent Internal Audit Check		Bank details for (random) faster payments are being carried out as recommended to ensure that payments are made to the correct payee
1242.8	Submission of Town Council Accounts for year ended 31 st March 2018		Reply expected in later August/early September – the dates for the exercise of electors rights concluded on 13 th July 2018 (no objections/observations received as far as we know)

10:55

Detailed Income & Expenditure by Budget Heading 30/06/2018

Month No: 3

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
101 Administration-Staff Costs						
4101 Wages/Salaries	53,163	149,283	96,120		96,120	35.6%
4102 Tax/NIC	8,660	58,708	50,048		50,048	14.8%
4104 Pensions	10,049	47,042	36,993		36,993	21.4%
Administration-Staff Costs :- Indirect Expenditure	<u>71,872</u>	<u>255,033</u>	<u>183,161</u>	<u>0</u>	<u>183,161</u>	<u>28.2%</u>
Movement to/(from) Gen Reserve	<u>(71,872)</u>					
102 General Administration						
1050 Income-Photocopying	30	0	(30)			0.0%
1100 Income-Miscellaneous	8	0	(8)			0.0%
1176 Precept Received	298,460	0	(298,460)			0.0%
1177 CTSG Received	20,937	0	(20,937)			0.0%
1190 Interest Received	479	0	(479)			0.0%
General Administration :- Income	<u>319,914</u>	<u>0</u>	<u>(319,914)</u>			
4201 Stationery	399	600	201		201	66.5%
4202 Telephone/Internet	323	1,050	727		727	30.8%
4203 Mobile Phones	670	3,000	2,330		2,330	22.3%
4204 Annual Subscriptions	3,365	5,500	2,135		2,135	61.2%
4205 Photocopier Contract	409	1,550	1,141		1,141	26.4%
4206 Postage	214	500	286		286	42.9%
4207 Advertising	0	1,000	1,000		1,000	0.0%
4208 Audit	(900)	2,000	2,900		2,900	(45.0%)
4210 Mayor's Budget	91	2,000	1,910		1,910	4.5%
4212 Development Resources	239	1,000	761		761	23.9%
4213 Tablets	392	1,568	1,176		1,176	25.0%
4220 Miscellaneous Expenses	0	200	200		200	0.0%
4221 Loan Repayment	9,089	18,106	9,017		9,017	50.2%
General Administration :- Indirect Expenditure	<u>14,290</u>	<u>38,074</u>	<u>23,784</u>	<u>0</u>	<u>23,784</u>	<u>37.5%</u>
Net Income over Expenditure	<u>305,623</u>	<u>(38,074)</u>	<u>(343,697)</u>			
6000 plus Transfer from EMR	25					
Movement to/(from) Gen Reserve	<u>305,648</u>					
201 Christmas Festival						
1077 Income - Xmas Lights	27	0	(27)			0.0%
Christmas Festival :- Income	<u>27</u>	<u>0</u>	<u>(27)</u>			
4304 Christmas Lights	0	15,000	15,000		15,000	0.0%
4305 Christmas Events	0	5,500	5,500		5,500	0.0%
Christmas Festival :- Indirect Expenditure	<u>0</u>	<u>20,500</u>	<u>20,500</u>	<u>0</u>	<u>20,500</u>	
Movement to/(from) Gen Reserve	<u>27</u>					

Detailed Income & Expenditure by Budget Heading 30/06/2018

Month No: 3

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
203 Administration Services						
4207 Advertising	280	2,000	1,720		1,720	14.0%
4703 Office Equipment	46	1,500	1,454		1,454	3.1%
4706 Council Website	0	600	600		600	0.0%
4708 Training	90	2,000	1,910		1,910	4.5%
4709 Donations	750	3,000	2,250		2,250	25.0%
4710 Christmas Goodwill	0	900	900		900	0.0%
4711 Youth Council	18	1,500	1,482		1,482	1.2%
4715 Town Website	473	400	(73)		(73)	118.1%
4718 Town Guide	3,000	5,500	2,500		2,500	54.5%
Administration Services :- Indirect Expenditure	4,657	17,400	12,743	0	12,743	26.8%
6000 plus Transfer from EMR	73					
Movement to/(from) Gen Reserve	(4,584)					
204 RIM&PF						
1101 Income - Stalls	475	0	(475)			0.0%
RIM&PF :- Income	475	0	(475)			
4401 Marshals	0	100	100		100	0.0%
4402 Music Acts	0	3,000	3,000		3,000	0.0%
4404 Marketing/Advertising	0	2,500	2,500		2,500	0.0%
4405 Equip/Toilets/Tables/Chairs	0	1,000	1,000		1,000	0.0%
4407 First Aid	0	300	300		300	0.0%
4408 Bunting	0	250	250		250	0.0%
4410 Marquees	0	700	700		700	0.0%
4413 Road Closures/Licenses	0	100	100		100	0.0%
4414 Hospitality	0	250	250		250	0.0%
4416 Fun Day	0	600	600		600	0.0%
4419 Generators	0	1,700	1,700		1,700	0.0%
4421 Electricity	0	100	100		100	0.0%
4422 Miners Day Activities	0	100	100		100	0.0%
RIM&PF :- Indirect Expenditure	0	10,700	10,700	0	10,700	
Movement to/(from) Gen Reserve	475					
205 Murdoch						
1101 Income - Stalls	140	0	(140)			0.0%
1103 Income - Advertising	333	0	(333)			0.0%
Murdoch :- Income	473	0	(473)			
4220 Miscellaneous Expenses	75	0	(75)		(75)	0.0%

Detailed Income & Expenditure by Budget Heading 30/06/2018

Month No: 3

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
4401 Marshals	0	60	60		60	0.0%
4402 Music Acts	1,120	1,200	80		80	93.3%
4403 Street Ents	708	1,000	292		292	70.8%
4404 Marketing/Advertising	183	200	17		17	91.7%
4405 Equip/Toilets/Tables/Chairs	44	400	357		357	10.9%
4406 Printing Programmes	515	800	285		285	64.4%
4407 First Aid	382	450	68		68	84.9%
4408 Bunting	260	250	(10)		(10)	104.0%
4409 Security	609	250	(359)		(359)	243.6%
4410 Marquees	0	1,200	1,200		1,200	0.0%
4411 Stage	0	810	810		810	0.0%
4412 Market Stalls	0	1,300	1,300		1,300	0.0%
4413 Road Closures/Licenses	251	300	49		49	83.8%
4415 Misc Expenses	3	80	77		77	3.3%
4418 Afternoon Dance	0	200	200		200	0.0%
4427 Schools	1,150	1,300	150		150	88.5%
Murdoch :- Indirect Expenditure	5,300	9,800	4,500	0	4,500	54.1%
Movement to/(from) Gen Reserve	(4,828)					
206 St Piran Festival						
4401 Marshals	0	60	60		60	0.0%
4402 Music Acts	20	3,000	2,980		2,980	0.7%
4405 Equip/Toilets/Tables/Chairs	20	250	230		230	8.0%
4406 Printing Programmes	0	500	500		500	0.0%
4413 Road Closures/Licenses	46	75	29		29	61.3%
4430 Transport	0	350	350		350	0.0%
4431 Show	0	300	300		300	0.0%
St Piran Festival :- Indirect Expenditure	86	4,535	4,449	0	4,449	1.9%
Movement to/(from) Gen Reserve	(86)					
210 Other Services						
4501 Purchases & Works	1,111	5,000	3,889		3,889	22.2%
4506 Signs	0	500	500		500	0.0%
4507 Town Clock Maintenance	1	1,100	1,099		1,099	0.1%
4514 CCTV Monitoring	7,871	0	(7,871)		(7,871)	0.0%
4515 CCTV R&M	2,185	0	(2,185)		(2,185)	0.0%
4520 Weed Control	2,340	5,000	2,660		2,660	46.8%
4521 Vehicle Fuel	587	2,500	1,913		1,913	23.5%
4522 Machinery Fuel	128	1,000	872		872	12.8%
4523 Floral Displays	0	14,000	14,000		14,000	0.0%
Other Services :- Indirect Expenditure	14,223	29,100	14,877	0	14,877	48.9%
6000 plus Transfer from EMR	10,056					
Movement to/(from) Gen Reserve	(4,167)					

Detailed Income & Expenditure by Budget Heading 30/06/2018

Month No: 3

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
301 The Chamber						
4209 Insurance	6,500	6,500	0		0	100.0%
4601 Non-domestic Business Rate	3,075	9,000	5,925		5,925	34.2%
4602 Gas	1,388	3,600	2,212		2,212	38.5%
4603 Water	420	2,910	2,490		2,490	14.4%
4604 Electricity	1,194	4,000	2,806		2,806	29.9%
4605 Waste	180	750	570		570	24.0%
4606 Lifts	231	400	169		169	57.8%
4607 Cleaning	265	450	185		185	58.9%
4610 Building Maintenance	202	2,000	1,798		1,798	10.1%
4611 Air Conditioning	0	775	775		775	0.0%
4615 Hygiene Contracts	0	355	355		355	0.0%
4616 Security Systems	0	330	330		330	0.0%
The Chamber :- Indirect Expenditure	13,456	31,070	17,614	0	17,614	43.3%
Movement to/(from) Gen Reserve	(13,456)					
302 Market Way						
1002 Income - MW Retail	5,396	0	(5,396)			0.0%
Market Way :- Income	5,396	0	(5,396)			
4209 Insurance	3,275	3,650	375		375	89.7%
4604 Electricity	341	0	(341)		(341)	0.0%
4605 Waste	934	0	(934)		(934)	0.0%
4607 Cleaning	1,168	0	(1,168)		(1,168)	0.0%
4610 Building Maintenance	9,037	0	(9,037)		(9,037)	0.0%
4615 Hygiene Contracts	194	0	(194)		(194)	0.0%
4616 Security Systems	43	0	(43)		(43)	0.0%
Market Way :- Indirect Expenditure	14,993	3,650	(11,343)	0	(11,343)	410.8%
Net Income over Expenditure	(9,597)	(3,650)	5,947			
6000 plus Transfer from EMR	10,120					
Movement to/(from) Gen Reserve	523					
303 Library						
1020 Income - Fines/Lost Items	879	0	(879)			0.0%
1021 Income - Hire AV	34	0	(34)			0.0%
1022 Income - Photocopy	732	0	(732)			0.0%
1023 Income - Small Items	26	0	(26)			0.0%
1024 Income - Reservations	6	0	(6)			0.0%
1025 Income - Small Items (NonVAT)	12	0	(12)			0.0%

Detailed Income & Expenditure by Budget Heading 30/06/2018

Month No: 3

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
1026 Income - Misc	6	0	(6)			0.0%
1027 Income - Sale of Books	197	0	(197)			0.0%
1079 Income Grants	100,000	0	(100,000)			0.0%
Library :- Income	101,891	0	(101,891)			
4101 Wages/Salaries	0	53,688	53,688		53,688	0.0%
4102 Tax/NIC	0	9,200	9,200		9,200	0.0%
4104 Pensions	0	3,700	3,700		3,700	0.0%
4214 Newspapers	47	0	(47)		(47)	0.0%
4511 Grounds Maintenance	0	850	850		850	0.0%
4601 Non-domestic Business Rate	0	19,500	19,500		19,500	0.0%
4602 Gas	0	3,000	3,000		3,000	0.0%
4603 Water	0	620	620		620	0.0%
4604 Electricity	0	3,400	3,400		3,400	0.0%
4605 Waste	54	650	596		596	8.3%
4607 Cleaning	2,113	11,920	9,807		9,807	17.7%
4610 Building Maintenance	131	0	(131)		(131)	0.0%
4703 Office Equipment	704	600	(104)		(104)	117.3%
Library :- Indirect Expenditure	3,050	107,128	104,078	0	104,078	2.8%
Net Income over Expenditure	98,841	(107,128)	(205,969)			
6000 plus Transfer from EMR	830					
6001 less Transfer to EMR	100,000					
Movement to/(from) Gen Reserve	(330)					
304 Public Toilets						
1085 Income - Toilets	944	0	(944)			0.0%
Public Toilets :- Income	944	0	(944)			
4601 Non-domestic Business Rate	792	3,300	2,508		2,508	24.0%
4603 Water	723	2,250	1,527		1,527	32.1%
4604 Electricity	273	500	227		227	54.5%
4607 Cleaning	2,669	10,000	7,331		7,331	26.7%
4610 Building Maintenance	573	2,000	1,427		1,427	28.6%
Public Toilets :- Indirect Expenditure	5,029	18,050	13,021	0	13,021	27.9%
Net Income over Expenditure	(4,085)	(18,050)	(13,965)			
6000 plus Transfer from EMR	200					
Movement to/(from) Gen Reserve	(3,885)					

Detailed Income & Expenditure by Budget Heading 30/06/2018

Month No: 3

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
<u>305 St Rumons Gardens</u>						
4603 Water	18	80	62		62	22.5%
4604 Electricity	177	300	123		123	59.2%
4605 Waste	841	0	(841)		(841)	0.0%
4610 Building Maintenance	11	0	(11)		(11)	0.0%
St Rumons Gardens :- Indirect Expenditure	1,048	380	(668)	0	(668)	275.8%
6000 plus Transfer from EMR	841					
Movement to/(from) Gen Reserve	(207)					
<u>306 EEPF</u>						
4511 Grounds Maintenance	359	1,400	1,041		1,041	25.6%
4512 Play Equipment Inspections	119	0	(119)		(119)	0.0%
4513 Play Equipment Maintenance	0	1,500	1,500		1,500	0.0%
4605 Waste	943	966	23		23	97.6%
EEPF :- Indirect Expenditure	1,421	3,866	2,445	0	2,445	36.8%
Movement to/(from) Gen Reserve	(1,421)					
<u>307 Plain-an-Gwarry</u>						
4511 Grounds Maintenance	7	0	(7)		(7)	0.0%
4513 Play Equipment Maintenance	79	1,500	1,421		1,421	5.3%
4605 Waste	595	618	23		23	96.3%
Plain-an-Gwarry :- Indirect Expenditure	681	2,118	1,437	0	1,437	32.1%
Movement to/(from) Gen Reserve	(681)					
<u>320 Capital Expenditure</u>						
4504 Bus Shelters	0	3,000	3,000		3,000	0.0%
4508 Compound Rent	28	1,440	1,412		1,412	1.9%
4510 Vehicles	3,567	10,300	6,733		6,733	34.6%
Capital Expenditure :- Indirect Expenditure	3,595	14,740	11,145	0	11,145	24.4%
6000 plus Transfer from EMR	1,810					
Movement to/(from) Gen Reserve	(1,786)					
<u>999 Ear Marked Reserves</u>						
4901 Town Clock EMR	0	31,090	31,090		31,090	0.0%
4902 Office Equipment EMR	0	1,225	1,225		1,225	0.0%
4903 Elections EMR	0	15,109	15,109		15,109	0.0%
4904 Playgrounds EMR	0	6,770	6,770		6,770	0.0%
4905 Grounds Equipment EMR	0	9,945	9,945		9,945	0.0%

Detailed Income & Expenditure by Budget Heading 30/06/2018

Month No: 3

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
4906 Footpaths EMR	0	333	333		333	0.0%
4907 Regeneration EMR	0	3,017	3,017		3,017	0.0%
4908 SK8 Park	0	26,393	26,393		26,393	0.0%
4909 Bus Shelters EMR	0	1,988	1,988		1,988	0.0%
4910 Station Hill Site EMR	0	1,200	1,200		1,200	0.0%
4911 Signs EMR	0	442	442		442	0.0%
4912 Training EMR	0	629	629		629	0.0%
4913 Website EMR	0	1,695	1,695		1,695	0.0%
4914 Building Contingency	0	16,882	16,882		16,882	0.0%
4915 Running Costs EMR	0	4,659	4,659		4,659	0.0%
4916 Fuel EMR	0	4,865	4,865		4,865	0.0%
4917 Receptions EMR	0	690	690		690	0.0%
4918 Tourism EMR	93	3,273	3,180		3,180	2.8%
4919 St Rumons Gardens EMR	0	1,591	1,591		1,591	0.0%
4920 Building Development EMR	0	1,390	1,390		1,390	0.0%
4921 Neighbourhood Plan EMR	0	8,996	8,996		8,996	0.0%
4922 Members Allowances EMR	0	1,961	1,961		1,961	0.0%
4923 Vehicles EMR	0	5,028	5,028		5,028	0.0%
4924 Mayors Allowance EMR	0	3,491	3,491		3,491	0.0%
4925 CCTV	0	17,914	17,914		17,914	0.0%
4926 Building Maintenance EMR	0	23,286	23,286		23,286	0.0%
4927 Public Realms	1,537	11,703	10,166		10,166	13.1%
4928 Christmas Lights EMR	0	3,638	3,638		3,638	0.0%
4929 Transition	0	97,663	97,663		97,663	0.0%
4930 Town Trail Leaflets	0	5,637	5,637		5,637	0.0%
4931 Toilets	0	15,548	15,548		15,548	0.0%
4932 Roundabouts	0	4,377	4,377		4,377	0.0%
4933 Kresen Kernow	0	2,815	2,815		2,815	0.0%
4934 Bunting/Flags	0	2,427	2,427		2,427	0.0%
4935 Youth Council	0	1,410	1,410		1,410	0.0%
4936 Redruth Community Centre	0	9,000	9,000		9,000	0.0%
4937 Legacy	0	10,000	10,000		10,000	0.0%
4939 Pensions EMR	0	1,990	1,990		1,990	0.0%
4940 Events Contingency EMR	0	8,174	8,174		8,174	0.0%
4941 Memorial Day EMR	0	140	140		140	0.0%
4942 Advertising EMR	0	2,860	2,860		2,860	0.0%
4943 Market Way EMR	0	24,262	24,262		24,262	0.0%
4944 Library EMR	4,250	137,800	133,550		133,550	3.1%
4945 PWLB EMR	0	18,000	18,000		18,000	0.0%
Ear Marked Reserves :- Indirect Expenditure	5,880	551,306	545,426	0	545,426	1.1%
Movement to/(from) Gen Reserve	(5,880)					

Detailed Income & Expenditure by Budget Heading 30/06/2018

Month No: 3

Cost Centre Report

	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent
Grand Totals:- Income	429,118	0	(429,118)			0.0%
Expenditure	159,582	1,117,450	957,868	0	957,868	14.3%
Net Income over Expenditure	<u>269,536</u>	<u>(1,117,450)</u>	<u>(1,386,986)</u>			
plus Transfer from EMR	23,954					
less Transfer to EMR	100,000					
Movement to/(from) Gen Reserve	<u>193,491</u>					

REPORT FOR: Meeting of the Audit & Accounting Governance Committee on 16th July 2018

1.0 SUBJECT OF REPORT: To receive a report from Committee Members responsible for carrying out Internal Control Checks

2.0 SUMMARY OF IMPLICATIONS

- a. Policy - Yes
- b. Financial - No
- c. Legal - No

3.0 TERMS OF REFERENCE

3.1 This Committee has agreed that checks on the Internal Controls would be carried out by Members of this Committee on a quarterly basis. This is the twelfth report and covers the first quarter of the Financial Year 2018-19. The checks were carried out by Cllrs.A Biscoe and C. Garrick on 2nd July 2018.

4.0 REPORT

4.1 In accordance with the agreed check list the following are findings in relation to the check of Internal Controls carried out by the undersigned.

Bank Reconciliation

BC1-4 This has been completed up to date as at 30th June 2018, with the balance reconciled. There were no differences and it was confirmed that the reconciled difference is nil.

Receipts & Payments

- RP1 A random selection of receipts & payments including FPOs and DDMs were selected to check since the last audit all were initialled correctly.
- RP2-3 All payments have been approved by RFO and correctly authorised.
- RP4 All invoice and cheque stubs have been authorised, and all cheque stubs were countersigned and invoices were countersigned accordingly.
- RP5 All receipts have been identified correctly with regard to reason for payment and identity of payee. All Faster Payments made electronically are reference numbered.
- RP6 VAT has been correctly accounted for on all receipts and payments.
- PR7 The VAT return for the 1st quarter had been submitted to HMRC.
- RP8 Not checked.
- RP9 Pension contributions are paid monthly. The payments for June were checked against bank reconciliation.

Computer Security

- CS1 All equipment physically secure, one in reception chained, four others housed in lockable rooms.
- CS2 All equipment is security marked - however some recent purchases (monitors & keyboards) still need to be included.

ACTION: this needs to be checked on next audit visit.

- CS3 All PC's, linked to the server, are password protected - individuals have set their own passwords which are changed every 30 days.
- CS4-5 Files are backed up through the server, which also has an external back-up facility. In addition files are also backed up via Cloud with VisionICT.
- CS6 A random check of websites visited was carried out on the CPM's PC - there was nothing at all to cause any concern.

ACTION: A different pc needs to be checked at the time of next visit.

Effectiveness of Internal Controls

- IC1 Steve Hudson of Hudson Accounting was appointed as the Council's auditor at the July 2017 Audit & Accounting Governance Committee meeting.
- IC2 The IA is confirmed as independent of the Council.
- IC3 All IA reports are made in his own name.
- IC4 The Audit Plan Law Appendix 9 of the Governance and Accountability for Local Councils – A Practitioners Guide (England) 2010 was approved at the meeting of the committee on 21st October 2014.
- IC5 The internal audit will consist of two visits per year. The April visit carries out risk assessments. It also carries out wider internal controls.
- IC6 The IA is considered by Council to be competent and has carried out the internal audit work ethically, with integrity and objectively.
- IC7 Interim audits are now being carried out by members of the committee.
- IC8 This is the twelfth occasion that members have carried out audits, and the report will be presented at the Audit & Accounting Governance Committee Meeting.

ACTION: Agree 2 new members of the committee to conduct the next audit.

- IC9 Regular budget monitoring is now carried out by the Audit and Accounting Governance Committee.
- IC10 The Committee is asked to make responses and recommendations to this report at its next meeting.
- IC11 Adequate insurance cover is in place including Public Liability which has now been increased at no extra charge from £10 million to £15 million with the Fidelity Guarantee cover increased to £1 million – as approved by this committee at its meeting in April 2016.
- IC12 The Asset Register has been viewed and is up to date.
- IC13 The Asset register and Insurance schedule have not been reconciled.

ACTION: reconciliation to take place before the next audit.

Staffing

- S1 Contracts of Employment for members of staff were available during this visit, with the exception of Library Staff who are still on Cornwall Council Contracts of Employment.

It was noted that documents regarding extensions to probationary periods need to be added to staff files.

ACTION POINT: Please was not checked during this visit and remains outstanding. This will be done before the next audit visit.

It was noted that staff training undertaken is included in staff files.

ACTION: Different staff member to be selected for next audit.

- S2 Annual leave forms were checked and all records have been updated.
- S3 The TIEA, Grounds staff and Off Administrator and Admin Asst receive overtime.
TOIL .Computer records of TOIL were examined. These are recorded on PC.
- S4 Employees are on the correct pay for their spinal column point.
- S5 All reported accidents involving Council staff since the last Internal Control Check have been correctly recorded.

Health & Safety

HS1 The Town Council Health & Safety Policy document has been produced and approved by the Amenities Committee meeting on 5th September, 2016. Document examined.

HS2 The Accident Book and Fire Register were checked.

Update from last visit. The accident book has been removed to a more secure location and is away from the reception area.

It was recommended in the last audit that there be a weekly fire bell check and two building evacuations per Annum, one announced, one unannounced with one of these involving members of the Council.

This was agreed at the Audit and Accounting Governance Committee, but still has not yet been implemented. Questions were asked concerned the evacuation of less mobile members of the council/general public.

ACTION: to be implemented before the next audit and the Town Council Health & Safety Policy (2016) to be updated accordingly. Regrettably, fire drill building evacuations have not taken place. Furthermore, Chairs of various TC Committees appear not to give housekeeping arrangements (which include information on fire drills) at the commencement of meetings. This also includes users of the premises including CoC, neighbourhood planning groups. This needs to be addressed as a matter of urgency.

HS3 All risk assessments were checked and found to be in order.

HS4 It was recommended that informal 'walk round' risk assessment checks are made by staff, with occasional 'walk round' checks by members. A check was carried out by C. Garrick and A Biscoe during this audit, and it was noted that all outstanding actions were completed.

ACTION POINT: Walk round checks to be continued on further audit visits.

4.2 Proposal

It is proposed that Members accept the report as read and that action is taken on the points raised before, or at, the next internal audit.

Cllr. A. Biscoe
Cllr. C. Garrick

4th July 2018