

## Report No.2

### Report to the Policy & Resources Committee 6<sup>th</sup> December 2016

#### External Audit for the Year Ended March 2016

##### 1. Purpose of the Report

- 1.1 To present the Report of the External Auditor and to make recommendations to address issues raised in Section 3 of the Report.

##### 2. Background

- 2.1 The Council's external audit for the year ended March 2016 has been undertaken by Grant Thornton UK LLP.
- 2.2 The Auditor has not found fault in the Council's figures in sections 1 & 2 of the Annual Return, but has raised some issues under '*Other matters not affecting our opinion which we wish to draw to the attention of Malmesbury Town Council*'.
- 2.3 These matters are set out below along with proposed actions to address any concerns.

##### 3. Order of Signing the Annual Governance Statement.

- 3.1 The Auditor has pointed out that the Council considered, approved & signed the Annual Governance Statement (section 1) and the Accounting Statements (Section 2) on the same day and under the same minute reference. The Accounts 7 Audit Regulations 2015 stipulate that the Annual Governance Statement must be considered, approved and signed before the Accounting Statements.
- 3.2 In order to address this issue, the Annual Governance Statement and the Accounting Statements will be considered as two separate items.  
The Town Clerk will put a note in the meetings file and in the Audit file as a reminder.

##### 4. Fixed Asset Register

- 4.1 The Auditor has observed that the Council does not maintain an up to date register of all its assets.
- 4.2 Work to produce an up to date register is under way. The Town Hall was recently visited by insurance-valuers who also looked at the Market Cross, the St Aldhelm's Mead Toilets and the Stone Shed.  
The updated assets register will be presented to Policy & Resources before 31<sup>st</sup> March 2017.

##### 5. Notice of Appointment of Date for the Exercise of Electors Rights

- 5.1 The Auditor notes that on the Notice of Appointment of Date for the Exercise of Electors' Rights, the audit date commenced before the end of the inspection period.

- 5.2 The Town Council's staff have placed a reminder note in the audit file, to ensure that the dates are correct next year. The Council's staff will contact Grant Thornton to confirm that they are in accordance with regulations.

## 6 Retention of Audit Documentation

- 6.1 The Auditor notes that the Council did not retain its Completion of Audit Notice for 2015, which under paragraph 13b of the Accounts & Audit Regulation 2015 it is required to do.
- 6.2 This year a copy was taken of this notice before it was put on display and a copy has been placed on the Council's website. Copies of all audit documents are kept in the Council's audit file.

## 7. Box 11

- 7.1 In Box 11 on section 2 (the trust funds disclosure note), the Council left this blank for the 2015/16 Return. This should have read 'No'.
- 7.2 A note has been placed in the Audit file as a reminder.

## 8. Internal Auditors Report

- 8.1 The Internal Auditor left box K of the Return (relating to trust funds) unanswered. The Correct response is 'N/a'.
- 8.2 A note has been placed in the Audit file as a reminder.

J Whittleton  
28<sup>th</sup> November 2016