



John Wright
Town Clerk

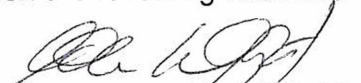
Lyme Regis Town Council

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Notice is hereby given of an extraordinary meeting of the Lyme Regis Town Council to be held in the Guildhall, Bridge Street, Lyme Regis, on Wednesday 21 June 2016 at 7pm when the following business is proposed to be transacted:


John Wright
Town Clerk
16.06.17

AGENDA

1. Public Forum

Twenty minutes will be made available for public comment and response in relation to items on this agenda.

Individuals will be permitted a maximum of three minutes each to address the committee.

2. Apologies for absence

To receive and record any apologies and reasons for absence

3. Disclosable Pecuniary Interests

Members are reminded that if they have a Disclosable Pecuniary Interest on their register of interests relating to any item on the agenda they are prevented from participating in any discussion or voting on that matter at the meeting as to do so would amount to a criminal offence. Similarly if you are or become aware of a Disclosable Pecuniary Interest in a matter under consideration at this meeting which is not on your register of interests or is in the process of being added to your register you must disclose such interest at this meeting and register it within 28 days.

4. Dispensations

To note the grant of dispensations made by the town clerk in relation to the business of this meeting.

5. Internal Audit Report, Visit Four 2016/17

To inform members of the outcome of the internal auditor's fourth and final visit for 2016/17 on 4 May 2017 and to provide a summary of the number and priority levels of recommendations made to the council over the last three years

6. Annual Return for the Year Ended 31 March 2017

To allow members to consider the Annual Return and the intermediate audit questionnaire for the year ended 31 March 2016

Committee: Full Council

Date: 21 June 2017

Title: Internal Audit Report, Visit Four 2016/17

Purpose of Report

To inform members of the outcome of the internal auditor's fourth and final visit for 2016/17 on 4 May 2017 and to provide a summary of the number and priority levels of recommendations made to the council over the last three years

Recommendation

- a) Members note the internal auditor's information comment and the response to that comment
- b) Members note the number and priority levels of recommendations made to the council by the internal auditor over the last three years

Background

- 1. Internal audit is an important part of the council's governance and managerial framework and, as such, it is important the town clerk takes responsibility for any observations and recommendations arising from the internal auditor's visits.
- 2. The council's internal auditor is Darkin Miller – Chartered Accountants. The internal auditor's remit is to establish there is proper book-keeping, risk management arrangements, bank reconciliation and year-end procedures, and controls are in place for payments, budgets, income, petty cash, payroll and assets.
- 3. The council normally engages Darkin Miller for eight days a year; this covers four audit visits which usually last for two days.

Report

- 4. This is the third year the council has engaged Darkin Miller and this is their fourth visit of 2016/17. Darkin Miller's report is attached, **appendix 5A**. The report contains one information comment.
- 5. The internal auditor's comment and suggested management response is detailed on the report.
- 6. There are no outstanding recommendations from previous internal audits.
- 7. To provide some comparison, Darkin Miller have provided a summary of the number and priority levels of their recommendations for 2014/15, 2015/16 and 2016/17, see below. Both the number of recommendations and their priority levels have reduced considerably over the last three years.

AGENDA ITEM 5**2014/15**

Rating	Number				
	Visit 1	Visit 2	Visit 3	Visit 4	TOTAL
High	3	6	0	0	9
Medium	5	2	3	2	12
Low	1	7	3	0	11
Information	0	0	0	1	1
TOTAL	9	15	6	3	33

2015/16

Rating	Number				
	Visit 1	Visit 2	Visit 3	Visit 4	TOTAL
High	1	1	0	2	4
Medium	1	4	3	0	8
Low	2	4	3	2	11
Information	0	0	0	1	1
TOTAL	4	9	6	5	24

2016/17

Rating	Number				
	Visit 1	Visit 2	Visit 3	Visit 4	TOTAL
High	0	1	0	0	1
Medium	4	0	2	0	6
Low	3	0	2	0	5
Information	0	0	0	1	1
TOTAL	7	1	4	1	13

John Wright
Town clerk
June 2017

FINAL

Internal audit report 2016/17

Visit 4 of 4

LYME REGIS TOWN COUNCIL

Date: 4th May 2017

Report author: R Darkin-Miller
Email: r.darkin@darkinmiller.co.uk

Introduction

This report contains a note of the audit recommendations made to Lyme Regis Town Council following the carrying out of internal audit testing on site on the 4th May 2017.

The audit work has been carried out in accordance with Appendix 9 of the 'Governance and Accountability for Local Councils: A Practitioners' Guide'.

An internal audit covers the review of the operation of the Council's internal control environment. It is not designed to review and give full assurance over every transaction carried out by the Council. Instead it enables the auditor, following the sample testing of a number of different types of transaction, to give an opinion as to whether or not the control objectives are being achieved across a range of financial and governance systems.

Audit Opinion

Based on the sample testing carried out at this final audit visit and during the year, all of the Council's current financial controls appear to be operating effectively.

Please include a copy of this audit report with the annual return sent to your external auditor.

Audit Recommendations

Recommendations made during the audit are shown in appendix one to this report.

Recommendations are graded as follows:

Rating	Significance
High	Either a critical business risk is not being adequately addressed or there is substantial non-conformity with regulations and accepted standards.
Medium	Either a key business risk is not being adequately addressed or there is a degree of non-conformity with regulations and accepted standards.
Low	Either minor non-conformity with procedure or opportunity to improve working practices further.

The number of recommendations made at this audit visit and their priority are summarised in the following table:

Rating	Number
High	0
Medium	0
Low	0
Info	1
TOTAL	1

The number of recommendations made at all of the audit visits in 2016/17 and their priorities are summarised in the following table:

Rating	Number				
	Visit 1	Visit 2	Visit 3	Visit 4	TOTAL
High	0	1	0	0	1
Medium	4	0	2	0	6
Low	3	0	2	0	5
Information	0	0	0	1	1
TOTAL	7	1	4	1	13

I would like to thank John Wright – Town Clerk, Mark Green – Deputy Town Clerk, Keith Wilson – Finance Manager, and Adrienne Mullins – Administrative Officer for their assistance during this audit.

Darkin Miller ~ Chartered Accountants
2016/17 INTERNAL AUDIT OF LYME REGIS TOWN COUNCIL
FINAL REPORT VISIT 4 OF 4: 4th MAY 2017

Appendix 1 – Recommendations and Action Plan

Recommendation number	Detail	Priority (Low/Medium/High)	Management Response	Responsible Officer	Due Date
10.1 – Adjusted errors	<p>The following items were identified and corrected in the annual return:</p> <ul style="list-style-type: none"> • The draft fixed asset register understated the brought forward value on the skate-park. • Staff costs were restated in both years to include staff travel and exclude other costs relating to staff as per the Practitioner's Guide. 	Info	Noted.		

Committee: Full Council

Date: 21 June 2017

Title: Annual Return for the Year Ended 31 March 2017

Purpose of the report

To allow members to consider the Annual Return and the intermediate audit questionnaire for the year ended 31 March 2017

Recommendation

The council approves the Annual Return for the year ended 31 March 2017, and authorises the Mayor and town clerk to authorise and sign the document on behalf of the council, along with the intermediate review questionnaire.

Background

1. Local councils in England with an annual turnover of £6.5 million or less must complete an Annual Return, **appendix 6A**, in accordance with proper practices summarising their activities at the end of each financial year. Those with income and/or expenditure greater than £200,000 are also required to complete an intermediate review questionnaire, **appendix 6B**. The intermediate review questionnaire applies to local councils with expenditure greater than £200,000 and requires the submission of documentary evidence to support the annual return.
2. This report is being brought directly to the Full Council because of the work and timescales required to finalise the year-end accounts.
3. In accordance with the Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015, the notice to electors to allow the exercise of public rights to inspect the accounts for the year ended 31 March 2017 will be posted between 22 June and 3 August 2017.
4. In accordance with the Accounts and Audit (England) Regulations 2011, the Annual Return must be approved by the Full Council by 30 June 2017. The Annual Return must be submitted to our external auditors by 3 July 2017.
5. If the Annual Return is approved and/or submitted to the council's external auditor after these dates, a qualified audit opinion will be issued.
6. Failure to approve the Annual Return by 30 June 2017 and submit it to the external auditors, along with all the required supporting documentation, by 3 July 2017 will result in a Public Interest Report (PIR) being issued on 30 September 2017.
7. A PIR is issued by the external auditor under Section 8 of the Audit Commission Act 1998 and reports any matters which should be given formal consideration by the local council or brought to the attention of the public. This could damage the

council's reputation, affect its ability to receive external funding, or count against it in achieving external accreditation.

8. The attached return for 2016/17 consists of four sections: accounting statements, annual governance statement, external auditor certificate and opinion, and the 2016/17 annual internal audit report.
9. After 30 years, the Audit Commission was closed on 31 March 2015. A new independent company was created, Local Government Association (Public Sector Audit Appointments Limited), which is responsible for overseeing the Commission's current external audit contracts with audit firms from 1 April 2015 until December 2017 or up to 2020 (December 2017 in our case). It manages the contracts and exercises statutory powers to appoint auditors, and sets and determines fees.
10. BDO, the council's current external auditors, are under contract to undertake the council's audit for 2015/16 and 2016/17. Subsequent to that, following a Strategy and Policy Committee recommendation on 2 March 2016, Full Council resolved on 16 March 2016 to approve Smaller Authorities Audit Appointments LTD to organise the council's external audit contract for 1 April 2017.
11. One by-product of the Audit Commission's demise is there is no longer an electronic version of the annual return available and all returns are entered manually.

Section 1, Annual Governance Statement 2016/17

12. This section extends beyond the accounting statement and asks members to confirm to the best of their knowledge and believe that:
 - effective arrangements are in place for effective financial management and the preparation of accounting statements;
 - there are adequate systems of internal control;
 - relevant laws, regulation and codes of practice are being complied with;
 - there are proper opportunities for electors to exercise their rights;
 - risks are assessed and controlled;
 - internal audit arrangements are in place;
 - appropriate actions are taken in response to internal and external auditor recommendations;
 - exposures with a financial impact are included in accounting statements.

Section 2, Accounting Statements 2016/17

13. This section details the accounting statement for the financial year that ended on 31 March 2017, drawing comparison with the accounting statement for the previous financial year.
14. A more detailed report on the 2016/17 budget will be presented to the Full Council on 12 July 2017.

15. The staffing costs and other payments for 2016 are re-stated following comments from the external auditor in 2016: originally, £445,448 was stated as salaries, of which £8,355 related to staff clothing, training and advertising, as well as contractor and agency staff costs. BDO stated these staffing related costs should have been included in other payments. They are treated as such in 2017.

Section 3, External Auditor Certificate and Opinion 2016/17

16. The approved accounts are referred to the council's external auditors, BDO; these accounts must be with the external auditor by 3 July 2017.
17. BDO will review the Annual Return and supporting information and report on any matters that cause them cause for concern in respect of any relevant legislation or regulatory requirements that have not been met.
18. The external audit must be completed by 30 September 2017; otherwise a qualified opinion will be issued. The external auditor's certificate and opinion must be reported to the council and put on public display.

Section 4, Annual Internal Audit Report 2016/17

19. This report is based on independent opinion, an assessment of risk, and a selective assessment of compliance with relevant procedures and controls.
20. The report's objective is to ascertain if:
- accounts have been kept properly;
 - financial regulations have been complied with;
 - risks have been assessed and reviewed;
 - precept requirements resulted from an adequate budgetary process, budgets monitored and reserves held at an appropriate level;
 - expected income has been received, accounted for, banked and VAT has been accounted for;
 - petty cash is properly accounted for;
 - salaries, allowances, PAYE and NI requirements are met;
 - asset and investment register is completed and maintained;
 - periodic and bank reconciliations are carried out;
 - accounting statements have been correctly prepared;
21. The internal auditor has not raised any concerns in any of these areas.
22. The internal auditor completed the fourth and final report for 2016/17 on 4 May 2017; there are no recommendations in this report that affect the Annual Return.

John Wright
Town clerk
June 2017

Local Councils, Internal Drainage Boards and other Smaller Authorities in England

Annual return for the year ended 31 March 2017

Every smaller authority in England with an annual turnover of £6.5 million or less must complete an annual return at the end of each financial year in accordance with proper practices summarising its activities. In this annual return the term 'smaller authority'* includes a Parish Meeting, a Parish Council, a Town Council and an Internal Drainage Board.

The annual return on pages 2 to 4 is made up of three sections:

- Sections 1 and 2 are completed by the smaller authority. **Smaller authorities must approve Section 1 before Section 2.**
- Section 3 is completed by the external auditor.

In addition, the **internal audit report** is completed by the smaller authority's internal audit provider.

Each smaller authority must approve Section 1 and Section 2 in order and in accordance with the requirements of the Accounts and Audit Regulations 2015.

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 highlighted sections. Do not leave any highlighted box blank. Incomplete or incorrect returns require additional external auditor work and may incur additional costs.

Send the annual return, together with the bank reconciliation as at 31 March 2017, an explanation of any significant year on year variances in the accounting statements, **your notification of the commencement date of the period for the exercise of public rights** and any additional information requested, to your external auditor by the due date.

Your external auditor will ask for any additional documents needed for their work. Unless requested, do not send any original financial records to the external auditor.

Once the external auditor has completed their work, certified annual returns will be returned to the smaller authority for publication and public display of Sections 1, 2 and 3. You must publish and display the annual return, including the external auditor's report, by 30 September 2017.

It should not be necessary for you to contact the external auditor for guidance.

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

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

Section 1 – Annual governance statement 2016/17

We acknowledge as the members of:

Enter name of

smaller authority here:

Lyme Regis Town Council

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 2017, that:

	Agreed		Yes means that this smaller 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 smaller authority to conduct its business or on 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 smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		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 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 smaller 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	NA
			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 this smaller authority on:

Signed by Chair at meeting where approval is given:

and recorded as minute reference:

Clerk:

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

Section 2 – Accounting statements 2016/17 for

Enter name of
smaller authority here:

Lymington Regis Town Council

	Year ending		Notes and guidance
	31 March 2016 £	31 March 2017 £	
1 Balances brought forward	770,470	790,952	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	120,708	120,708	Total amount of precept (or for IDBs, rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	1,265,787	1,471,835	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	427,108 <i>re-stated</i>	481,271	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	44,840	44,840	Total expenditure or payments of capital and interest made during the year on the smaller authority's borrowings (if any).
6. (-) All other payments	884,065 <i>re-stated</i>	674,822	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	790,952	1,182,562	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	995,501	1,255,857	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	7,554,428	7,622,636	This cell shows the value of all the property the authority owns. It is made up of its fixed assets and long-term investments.
10. Total borrowings	358,341	322,532	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 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 2017 the accounting statements in this annual return present fairly the financial position of this smaller authority and its income and expenditure, or properly present receipts and payments, as the case may be

Signed by Responsible Financial Officer:

Date

I confirm that these accounting statements were approved by this smaller authority on:

and recorded as minute reference:

Signed by Chair at meeting where approval is given:

Section 3 – External auditor report and certificate

In respect of:

Enter name of
smaller authority here:

Lyme Regis Town Council

1. Respective responsibilities of the body and the auditor

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

- summarises the accounting records for the year ended 31 March 2017; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review the annual 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. 2016/17 External auditor report

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

(continue on a separate sheet if required)

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

(continue on a separate sheet if required)

3. 2016/17 External auditor certificate

We certify/do not certify* that we have completed our review of the annual return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2017.

* We do not certify completion because:

External auditor signature

External auditor name

Date

Note: The NAO issued guidance applicable to external auditors' work on 2016/17 accounts in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

Annual internal audit report 2016/17 to

Enter name of
smaller authority here:

1.11.15 2016/17 TOWNS COUNCIL

This smaller authority'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 2017.

Internal audit has been carried out in accordance with this smaller 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 smaller authority.

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.	✓		
B. This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This smaller 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 smaller 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. (For local councils only) Trust funds (including charities) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

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

Name of person who carried out the internal audit ALAN DAVEN - MEMBER LIAISON (H&S) FCA

Signature of person who carried out the internal audit [Signature] Date 04/05/2017

*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 2016/17 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 work by the auditor. NALC, SLCC and ADA 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 highlighted boxes), and is properly signed and dated. Avoid making amendments to the completed return. Any amendments must be approved by the smaller authority, properly initialled and explanation provided. Annual returns containing unexplained or unapproved amendments may be returned and incur additional costs.
3. **Smaller authorities must approve Section 1 on page 2 before approving Section 2 on page 3.**
4. Use the checklist provided below. Use a second pair of eyes, perhaps a Councillor or Board Member, to review the annual return for completeness and accuracy before sending it to the external auditor.
5. Do not send the external auditor any information not specifically asked for. Doing so is not helpful. However, you must tell the external auditor about any change of Clerk, Responsible Finance Officer or Chair.
6. 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 smaller authority 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 2 on page 3). 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*.
7. Explain fully significant variances in the accounting statements on page 3. 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 a complete numerical and narrative analysis to support your explanation. There are a number of examples provided in the Practitioners' Guide* to assist you.
8. 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.
9. **You must inform the external auditor of the date set for the commencement of the period for the exercise of public rights.**
10. Make sure that your accounting statements add up and the balance carried forward from the previous year (Box 7 of 2016) equals the balance brought forward in the current year (Box 1 of 2017).
11. Do not complete Section 3 which is reserved for the external auditor.

Completion checklist – 'No' answers mean you may not have met requirements		Done?
All sections	All highlighted boxes have been completed?	
	All additional information requested, including the dates set for the period for the exercise of public rights, has been provided for the external auditor?	
Section 1	For any statement to which the response is 'no', an explanation is provided?	
Section 2	Smaller authority approval of the accounting statements is confirmed by the signature of the Chair of the approval meeting?	
	An explanation of significant variations from last year to this year is provided?	
	Bank reconciliation as at 31 March 2017 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 a Council is a sole managing trustee? NB: Do not send trust accounting statements unless requested.	
Internal Audit report	All highlighted boxes completed by internal audit and explanations provided?	

*Note: The Practitioners' Guide is available from your local NALC, SLCC or ADA representatives or from www.nalc.gov.uk or www.slcc.co.uk or www.ada.org.uk.

Intermediate review questionnaire for the year ended 31 March 2017
Income or expenditure greater than £200,000, mandatory completion

The intermediate review is undertaken to obtain evidence, where additional risk is identified relating to those, with higher levels of activity or expenditure or those selected as part of a 5% sample of basic reviews.

Lyme Regis Town Council have received the intermediate review questionnaire because Lyme Regis Town Council's income or expenditure was greater than £200,000 last year.

If Lyme Regis Town Council's income or expenditure for the year ended 31 March 2017 is greater than £200,000 this form must be completed as it forms part of the review. Please complete the form, provide the evidence requested and return it with your annual return and supporting information by the submission date.

If Lyme Regis Town Council's income or expenditure is no longer greater than £200,000 you are not required to complete this form but you must inform us so that we can update our records.

IMPORTANT

The intermediate review questionnaire ("IRQ") is a standard document that forms part of the review. The annual review letter clearly states that completion of this form is required. If you do not complete and return the "IRQ" with the annual return we will not be able to complete the review. The auditor will request completion of the "IRQ" and a charge will be added to the standard fee on completion of the review.

If the form is completed incorrectly and/or any supporting documentation is not included without stating a reason, the auditor will request this information again and a charge will be added to the standard fee on completion of the review.

All information supplied must relate to the year ended 31 March 2017 unless stated otherwise.

Where copies of minutes are requested please supply us with copies of the signed legal minutes as maintained in accordance with the Local Government Act 1972.

Q01 To demonstrate the bank reconciliation agrees to the bank statement(s) the following documents are included as evidence

- a) a copy of the bank statement(s) for all accounts held showing the balance at 31 March 2017;
- b) a copy of the statement or certificate showing the value of investments (if any).

If No, please state why the above information has not been enclosed.

Q02 To demonstrate the matter(s) raised in the previous external audit were considered and appropriate action taken, the following documents are included as evidence;

- a) a copy of the signed legal minute recording the acceptance of our external audit report for the year ended 31 March 2016;
- b) a copy of the agreed action plan to carry out the recommendations of the external audit.

If No, please state why the above information has not been enclosed.

Q03 To evidence that a system of internal control is in place as tested by the Internal Auditor and demonstrate that appropriate action was taken on all matters raised in reports from the internal auditor the following is included as evidence;

- a) a copy of any supplementary reports or letter prepared by the internal auditor, if any;
- b) a copy of the minute which records the review of any internal audit during the year 2016/17;
- c) a copy of the action plan produced to act upon any matters raised, if required.

If No, please state why the above information has not been enclosed.

I confirm that I have completed this form to the best of my knowledge and belief, with respect to the accounts for the year ended 31 March 2017.

Signed Date

Name of Smaller Authority

