

Section 1 – Annual governance statement 2015/16

We acknowledge as the members of:

Enter name of
smaller authority here:

BRIDGWATER 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 2016, 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. | YES | | 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. | YES | | 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. | YES | | 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. | YES | | 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. | YES | | 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. | YES | | 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. | YES | | 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. | YES | | 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 |
| | | | N/A |
| | | | 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 and recorded as minute reference:

min. 7
dated 13/05/2016

Signed by:

Chair

dated

Signed by:

Clerk

dated

[Signature]
23/6/16
[Signature]
23/06/16

*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 2015/16 for

Enter name of
smaller authority here:

BRIDGWATER TOWN COUNCIL

| | Year ending | | Notes and guidance |
|---|-----------------------|-----------------------|---|
| | 31 March 2015 £ | 31 March 2016 £ | |
| 1. Balances brought forward | 895,271 | 839,869 | 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. 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 | 437,534 | 445,767 | Total amount of precept or (for IDBs) rates and levies received or receivable in the year. Exclude any grants received. |
| 3. (+) Total other receipts | 211,995 | 168,355 | 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 | 92,537 | 89,394 | 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 smaller authority's borrowings (if any). |
| 6. (-) All other payments | 592,394 | 670,864 | 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 | 839,869 | 713,732 | 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 | 795,339 | 666,968 | 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 | 0 | 0 | The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the smaller authority as at 31 March |
| 10. Total borrowings | 0 | 0 | The outstanding capital balance as at 31 March of all loans from third parties (including PWLB). |
| 11. (For Local Councils Only) Disclosure note re Trust funds (including charitable) | Yes | No | The Council 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 2016 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

28/06/16

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

09/06/2016

and recorded as minute reference:

Min. 15/16

Signed by Chair of the meeting approving these accounting statements.



Date

23/06/16

Section 3 – External auditor certificate and report

2015/16 Certificate

We 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 2016 in respect of:

Enter name of
smaller authority here:

BRIDGWATER TOWN COUNCIL

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 2016; 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.

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 matters have come to our attention giving cause for concern that relevant legislation 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:

See attached.

(continue on a separate sheet if required)

External auditor signature

Grant Thornton UK LLP

External auditor name

Grant Thornton UK LLP

Date

29/9/16

Note: The NAO issued guidance applicable to external auditors' work on 2015/16 accounts in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

**This page is part of Section 3 - External auditor certificate and opinion
2015/16**

**Bridgwater Town Council
Audit Report for the year ended 31 March 2016**

**Other matters not affecting our opinion which we wish to draw to the
attention of Bridgwater Town Council for the year ended 31 March 2016**

Period for the exercise of public rights

The Local Audit and Accountability Act 2014 (the Act), sections 26 and 27, and the Accounts and Audit Regulations 2015 (the Regulations), sections 14 and 15, set out the requirements for the period for the exercise of public rights of objection, inspection and questioning of the external auditor. In particular section 14(1) of the Regulations stipulates that the rights of objection, inspection and questioning of the external auditor conferred by sections 26 and 27 of the Act may be exercised within a single period of 30 working days.

The Council published its Notice indicating the period for the exercise of public rights commenced on 24 June 2016 and ended on 3 August 2016. This is less than the 30 working days as required by the Regulations. For any days under those 30 working days, a member of the public has been denied their rights in respect of objection, inspection and questioning of the external auditor. 4/08

In the future, the Council must ensure that it complies with the Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015 to ensure that the dates for the exercise of public rights are properly calculated and published and cover a single period of 30 working days. The Council should also consider the impact of this failure on its disclosures in the 2016/17 Annual Return.

Internal Audit Letter of Engagement

The Council have failed to provide a copy of the engagement letter sent from the Internal Auditor to the Council. The Council provided a copy of a letter sent from the Council to the Internal Auditor confirming they would continue to use their services as an internal auditor.

An engagement letter should be addressed to the Council from the internal auditor, detailing the terms of the engagement for the current year audit. A copy of this letter should be retained for audit purposes.

**This page is part of Section 3 - External auditor certificate and opinion
2015/16**

**Bridgwater Town Council
Audit Report for the year ended 31 March 2016**

**Other matters not affecting our opinion which we wish to draw to the
attention of Bridgwater Town Council for the year ended 31 March 2016
continued**

Section 2, Accounting statements, Accounting for Fixed Assets


It has come to our attention that Box 9 of Section 2 of the Annual Return, the Accounting Statements, states the Council has no fixed assets yet other evidence suggests that the council do own fixed assets. At present, no fixed asset register is maintained but the Council have contracted this out in order for completion this year. A formal schedule of assets should be maintained and regularly updated. This should be reported in Box 9 of Section 2 of the Annual Return.

The Council should restate the 2016 figures on next year's Annual Return and write 'Restated' beneath the £ sign on the 2016 column.

The Practitioners' Guide has been updated in 2016 and new guidance on accounting for fixed assets will apply in 2016/17. The Council should review this guidance when completing the 2016/17 Annual Return and ensure that it classifies its assets appropriately and the correct value of the asset is included in Box 9.

S1 or S2 was signed by the Chair and/or Clerk/RFO after the date of approval

The Town Council has considered and approved the Annual Governance Statement (Section 1) on 13 May 2016 and the Accounting Statements (Section 2) on 9 June 2016. The Chair and Clerk/RFO have signed the Annual Governance Statement (Section 1) and the Accounting Statements (Section 2) on 23 June 2016, which is after the date of approval. The signature of the Chair and Clerk on Section 1 and the Chair on Section 2 are confirmation of approval in accordance with the Accounts and Audit Regulations 2015 and should be on the same date as Council approval. In future, the Town Council should ensure that the Annual Governance Statement (Section 1) and the Accounting Statements (Section 2) are signed when they are approved by the Council.


Grant Thornton UK LLP
Date 29/9/16

Our ref SOM035

