

## Abingdon-on-Thames Town Council

### Agenda item 11: Report of the Responsible Financial Officer

#### Annual Governance Statement 2019/20

#### Introduction

1. Members may be aware that under the Accounts and Audit Regulations, the Council is required to publish and approve an annual return each year (**Appendix A**). This return consists of four parts, the first of which is called The Annual Governance Statement. This is a declaration by the Council that they have **a sound system of internal control**. This means that the Council believes it has systems in place to ensure accurate records of accounting transactions, compliance with laws, risk management and prevention and detection of fraud and corruption.
2. The Annual Governance Statement must be completed and approved by the members, meeting as a whole. The statement must be completed and signed before the council can approve the Accounting Statements for the year (section 2 of the Annual Return). This can take place at the same meeting of the Council as a later agenda item.

#### How the Council ensures there is a sound system of internal control

1. Your Treasurer / RFO is responsible for ensuring that adequate controls are in place throughout the year to provide assurance that the above considerations are met. The controls in place include budgetary reports, monthly bank reconciliations, limitations to who can authorise transactions and segregation of duties.
2. Another key control is the role of the internal auditor. The auditor presents his reports to the Finance and General Purposes Committee throughout the year and would draw members' attention to any areas where controls are insufficient. Members are reminded of the most recent internal auditor report which was presented to the Finance and General Purposes Committee meeting of 17<sup>th</sup> March 2020. This meeting was postponed due to the lockdown and so the report has been attached again here (**Appendix B**).

#### Decisions

1. It is **recommended** that the Council answer Yes to questions 1 to 8 (question 9 is not applicable to this Council) and that the Statement is **approved** and signed by the Chair and Town Clerk.

Susan Whipp  
Treasurer / Responsible Financial Officer  
18<sup>th</sup> June 2020