

Responsible Financial Officer Reports (9-13)**9. RFO Report** - (for information – bank balances, internal audit, receipt of precept)

- Bank balances - as at 31 March 2026 are as follows:

| | |
|--------------------------|---------------------------|
| HSBC | 30,949.28 |
| Lloyds Debit card | 181.60 |
| Cornwall Council deposit | 682,779.05 |
| | |
| TOTAL | <u>£713,909.93</u> |

- Internal Audit – The internal auditor will be visiting on Monday 18 May to carry out checks for the year end accounts and Annual Governance and Accountability Return. His report to Council will follow when the AGAR is presented. Councillor Dorling will carry out the internal control checks on the bank reconciliations ahead of the visit.
- Precept – The first payment of the precept of £495,146 was received on 7 April, and surplus funds have been transferred to the Cornwall Council deposit to maximise interest earned.

10. Schedule of Payments - To receive and approve the schedule of payments totalling £62,458.29 gross**Attachment: 10. Schedule of Payments****Recommendation: to approve the schedule of payments totalling £62,458.29 gross****11. Budget Monitoring 2025/26** – To receive and accept a draft budget report to 31 March 2026 for monitoring purposes**Attachment: 11. Budget Monitoring to 31 March 2026**

On target spend should now be at 100%

This is not the final year end budget report, as some year-end processing relating to creditors, accruals, stock adjustments, reserve transfers, etc are still to be completed.

The following points should be noted on the Administration (101) budget (other budgets monitored within the relevant committees):

- PAYE & NI (4010) shows only eleven month's expenditure as this is paid a month behind as we have switched to direct debit payments. It also includes an adjustment of £4,770 for possible underpayments over the last 6 years which is being challenged with HMRC. An initial refund of £2,189 is expected.
- Staff Expenses (4100) – the overspend is due to £375 occupational health costs
- Training (4110) includes 3 yearly fire safety and first aid training.

- Professional Fees (4160) has overspent due to payment of £6,392 for the first stage of the review which was approved from the general reserve.
- Equipment & IT Purchase (4230) / Equipment & IT M'tnce/Support (4240) – overspends due to the new equipment required for the Windows 11 upgrade
- Election Expenses (4310) – the unspent funds will be transferred to the ear marked reserve. The invoice has not yet been received for the March 2026 by-election.
- Mayoral Allowance (4340) has been paid in full, but must be processed via payroll and is included in the salary line
- CCTV (4360) the unspent amount will be transferred to the ear marked reserve, as invoices have not been received for monitoring and maintenance carried out during the year.

Recommendation: to note and approve the budget monitoring report

12. External Auditor BDO LLP – Annual declaration to confirm there are no conflicts of interest with BDO LLP

Attachment: 12. Conflict of Interest with BDO LLP Declaration

The external auditors are the regulated and independent professional company appointed with a statutory mandate to audit the council. In basic terms, the external auditors provide assurance to residents and the council that the council's finances are soundly managed, and the annual accounts present a true and fair view of the council's income and expenditure and its assets and liabilities.

Smaller Authorities Audit Appointments (SAAA) is the independent, sector led organisation responsible for the appointment and contract management of external auditors to smaller authorities. They have appointed BDO LLP as external auditor to the Town Council for the 5-year period from 2022-23 until 2026-27.

BDO LLP require an annual declaration to confirm there are no conflicts of interest between Liskeard Town Council and BDO LLP.

Recommendation - To confirm there are no conflicts of interest with BDO LLP

13. Annual Review of the effectiveness of Internal Controls and Risk Management

Arrangements 2025/2026 – to review the effectiveness of internal controls and risk management arrangements for 2025/2026 and consider any additional action required

Attachments: 13i. Statement of Internal Control, 13ii. Financial Risk Assessment

Annually, the Council must review the effectiveness of its internal controls and risk management arrangements, before considering the Annual Governance Statements which will be presented to Council at the end of May/June. The attachments are provided to assist with the review.

Recommendation: To approve the Statement of Internal Control 2026 and Financial Risk Assessment 2026