

Clyffe Pypard Parish Council – Response to internal audit findings

For the External Auditor:

Annual Audit Report:

Box	Auditor comments	Response
A	Minutes should record the current bank balance.	The Council resolves to include bank balance in future minutes
A	Wrong AGAR form used.	Correct AGAR form now completed and noted for future years
A	Wrong accounting on the AGAR form.	Because of its small number of transactions, the council is content that all of its payments were properly approved and legal but undertakes to improve its accounting through the appointment of a proper officer/RFO.
A	No end of year bank reconciliation.	The council recognises that bank reconciliations have been patchy and undertakes to carry out a reconciliation for each quarter and to appoint a proper officer/RFO
B	VAT claimed on an inappropriate item.	The Council resolves to notify HMRC and repay the overclaim.
B	Bank signatory declined to make agreed payment.	The Council has changed the bank signatories who undertake to make the agreed payments.
C	Risk assessment overdue.	The Council resolves to undertake a new risk assessment.
C	Level of insurance cover.	The Council is in the process of reviewing its asset register and valuations and notifying its insurers. It will update the published asset list when this exercise is complete.
H	Asset register out of date.	
I	The only bank reconciliation on file is up to 31st Dec 2023, and was signed in March 2024	The council recognises that bank reconciliations have been patchy and undertakes to carry put a reconciliation for each quarter and to appoint an RFO/proper officer
J	No accounting statements throughout the year.	The absence of a proper officer/RFO has made the adherence to good procedure challenging. The council undertakes to appoint a proper officer as soon as possible and to make best efforts to comply with proper accounting on a voluntary basis until then.
J	Incorrect accounting used; cheques issued in the year not accounted for.	
J	Wrong AGAR Accounting Statement used (in folder).	Correct AGAR form now completed and noted for future years
K	The External Auditor acknowledge in their report that the Council was not able to claim exemption.	The Council Is not claiming exemption this year in recognition of these matters.

General comments. Proper officer: The council’s main challenge arises from the lack of a proper officer and RFO. The search for a clerk to take these roles is ongoing and options for a temporary locum are being investigated. The reluctance of individual councillors to volunteer for aspects of this role is partly the result of some internal distrust and past accusations. Appointment of a professional clerk would help solve some of this.

General comments. Minutes: The minutes are signed at each meeting but this year the signed versions were not collated for the internal auditor. The council undertakes to update the formal minute file to ensure all the signed copies are available for future audit.

Annual Governance Statement Section 1

Assertion 1: The absence of a Responsible Finance Officer and the unwillingness of any councillor to volunteer for this role has resulted in gaps in financial management. Our VAT claims are now up to date. However, given the small number of transactions, the council is content that all payments were approved according to procedure, understood by councillors, and made lawfully. The Council's highest priority is to appoint a suitable proper officer to address this. A search for a locum has also started.

Assertion 3: The external auditor advised that the council should respond "no" to assertion 3 for 2023/24 because of non-compliance of the website with the Transparency Code. The web site has now been updated and appears compliant. A volunteer has now been appointed to keep this up to date.

Assertion 5: Our failure to carry out a risk assessment was due to the absence of a proper officer and the failure of any councillor to volunteer to undertake this exercise. The council undertakes to continue its efforts to secure a proper officer and seek councillor volunteers to take interim responsibility for this exercise.

Assertion 7: Our failure to update and implement the action plan arising from past audit recommendations was due to the absence of a proper officer and the failure of any councillor to volunteer to undertake this exercise. The council undertakes to continue its efforts to secure a proper officer and seek councillor volunteers to take interim responsibility for this exercise.