

## **BIDBOROUGH PARISH COUNCIL - INTRODUCTION AND BACKGROUND TO MY INTERNAL AUDIT REPORT ON THE ACCOUNTS TO 31 MARCH 2022**

Councillor Kerry Thorne was appointed Chair of Bidborough Parish Council in November 2020. At the meeting of 21 June 2021, she was presented with the form, Annual Governance and Accountability Return 2020/21, known as AGAR, to be signed.

Each year councils are required to have both an internal and external audit and to complete questions about the Council's Governance (Internal Controls) and Accounts.

At the meeting of 21 June 2021:

"Cllr Mrs Thorne advised she did not feel able to sign the AGAR documentation as she did not feel it complied with the instructions for completion, this to be deferred until further discussion had been held with regard to the completion of the paperwork. Further meeting to be arranged for 28 June." (extract from Minutes)

At that following meeting of 28 June:

"Consideration of the Annual Governance & Accountability Return 2020/2021. Cllr Mrs Thorne reported that she was unable to sign the document as Chair as she had not had the requisite fourteen days to check it, she would contact the external auditor to arrange an extension and defer the issue to a further meeting, the AGAR she had was not fully completed – ED explained that the question boxes requiring filling needed to be done at the meeting." (extract from Minutes)

During a conversation with the external auditors, PKF Littlejohn, Mrs Thorne was asked if she/the Council was following the guidelines given in the document "Governance and Accountability for Smaller Authorities in England – a Practitioner's Guide", put together by JPAG (Joint Panel on Accountability and Governance).

Neither Mrs Thorne nor other members of the Council knew of this guide.

As she was concerned about the way in which the internal auditor had been appointed it was decided to appoint a second internal auditor to review the AGAR with regard to the Council's internal controls and the Accounts.

It was found that the Council had failed to ensure a sound system of Internal Controls and there were errors in the Accounting Statements for both years ending 31 March 2020 and 2021. These figures were restated.

The AGAR was finally signed and submitted at the end of August 2021. The External Auditor PKF Littlejohn wrote a critical report and made several recommendations which, I understand, the Council intends to implement.

In May 2022 a new Clerk to the Council was appointed and shortly after, I was appointed to carry out an internal audit of the Parish Council for the year ended 31 March 2022.

My report is attached.

Marian Hemsted



September 2022