

# Bidborough Parish Council

## Annual Governance Statement 2021/22

### Explanation of Answers to Assertions within the Statement

**Assertion 1 – Answer No**

The Council will be putting in place a new computerised financial system which will ensure that effective accounts are in place which clearly shows the funds allocated to each budget and any expenditure made. The Council will receive quarterly reports setting out its accounts.

**Assertion 2 – Answer No**

There appears to have been no internal control measures in place and the first step will be for the Clerk to review all the financial systems. As part of this review the Clerk will undertake a Financial Risk Assessment and produce a Statement of Internal Control. This review will produce an Action List which will be prioritised with the intention that all actions will be completed by the end of the financial year enabling the Council to be more positive in its response to next year's AGAR. This will be taken in conjunction with the newly appointed Internal Auditor.

**Assertion 3 – Answer No**

The Council appears not to have received the necessary advice to allow it to answer Yes to this assertion though many of their actions have been of a limited nature. The Council will need to employ an experienced Clerk to assist them through this process but will also need to establish a dedicated training programme for Members which will be in place for the intake of new Members following the election in 2023. The Council will also look at introducing that training programme or an abridged version of the programme for the existing Council.

**Assertion 4 – Answer No**

This was not done but compliance with this requirement will be in place for next year's AGAR.

**Assertion 5 – Answer No**

There is no record of any risk assessments having been done. As indicated above a financial risk assessment will be undertaken and completed in the near future. All other risk assessments will be completed as soon as feasibly possible but before the end of the financial year. To assist in this process the Council has agreed to purchase risk assessment software.

**Assertion 6 – Answer No**

The Council has not had in place an effective system of internal audit but has recently appointed an Internal Auditor. The initial audit will look at the accounts, but the Council will look at extending that remit to ensure that the Council's financial systems and processes are reviewed regularly on a programme agreed by the Council and the Internal Auditor, and which also includes the areas that the External Auditor have highlighted.

**Assertion 7 – Answer No**

The Council have not had an Internal Auditor in the past year and therefore have not received any reports. In the current year the Council has now appointed an Internal Auditor and will respond to and action all reports received. The Council will also ensure that it will action all reports received from the External Auditor.

**Assertion 8 – Answer No**

There is no clear position that this has happened and therefore it is necessary to answer No. This will be undertaken in future and recorded in the appropriate places such as Council Minutes and financial documents.