

19th April 2024

An explanation for the 'No' response to Assertion 9 and the Internal Auditor 'No' at section O.

Rollsby Parish Fund (Charity 1098449) held £90,308.38 in funding which transited the Parish Council accounts during 2023/24 inflating both the income and expenditure figures for the Parish Council.

This was a result of an investment being made from the Parish Council account historically – the bank in question would only repay the investment to the Parish Council account where the original transaction was sourced.

The funds are now invested in the name of the Charity.

Advice was sought from the External Auditors prior to completion of the AGAR forms and Internal Audit, there advice is detailed below:

Thank you for your email. We can confirm that as a result of the funds being received into the bank account of the council this transaction will need to be reflected in the figures in Section 2 of the AGAR where the council prepares its accounts on a receipts and payments (cash basis). The length of time that the money was held for is irrelevant.

As the sole managing trustee, the council should respond 'Yes' to Section 2, Box 11(a) and 'No' to Section 2, Box 11 (b) to reflect the fact that the figures in Section 2 include trust fund transactions. We would also expect Section 1, Assertion 9 to be 'No' due to the fact that the trust fund did not have its own bank account at one point, resulting in the funds having to be repaid via the council's bank account. The internal auditor's response to internal control objective O should also be 'No' to acknowledge this fact.

An explanation for the 'No' response to Assertion 9 should be published alongside the approved AGAR.

We trust this addresses your query.