

Section 3 – External Auditor Report and Certificate 2018/19

In respect of

Avening Parish Council – GL0016

1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2019; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

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Except for the matters reported below, on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

The AGAR was not accurately completed before submission for review. Please ensure that amendments are corrected in the prior year comparatives when completing next year's AGAR:

- Section 2, Box 2, the annual precept, does not agree to the figure published by the precepting authority. The figure in Box 2 should read £26,646. All grants, including Council Tax Support Grant, should be shown in Box 3, as per the guidance notes on the AGAR. In addition, the Council has not restated the prior year figures in Boxes 2 and 3. As reported in the prior year External Auditor Report, these figures should read £25,151 and £14,203 respectively.
- The VAT debtor at the year end is incorrectly included in the 2018/19 figures. As the council operates on a Receipts & Payments basis, all figures should be stated gross and the VAT reclaim should not be recognised until the year it is physically received. The figures in Boxes 7 and 8 should both read £12,505.
- In order to correct both the Council Tax Support Grant and VAT debtor errors above, Box 3 should read £10,107.
- The figure in Section 2, Box 9 of the prior year comparative column does not agree to the prior year final signed AGAR. As a result, Box 9 of the current year column is also incorrect. Box 9 for both years should read £15,862.
- It has come to our attention that contractor costs have been incorrectly included in Section 2, Box 4 rather than Box 6 in the prior year. The figures in Section 2, Boxes 4 and 6 of the prior year comparative column should read £3,632 and £57,022 respectively.

Other matters not affecting our opinion which we draw to the attention of the authority:

We note that the smaller authority did not comply with Regulation 15 of the Accounts and Audit Regulations 2015 as it failed to make proper provision during the year 2019/20 for the exercise of public rights, since the period for the exercise of public rights was less than 30 consecutive working days in length. As a result, the smaller authority must answer 'No' to Assertion 4 of the Annual Governance Statement for 2019/20 and ensure that it makes proper provision for the exercise of public rights during 2020/21.

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We certify that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2019.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature



Date

23/09/2019

* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2018/19 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)