

Section 3 – External Auditor Report and Certificate 2019/20

In respect of **Shaw and Crompton Parish Council - LA0196**

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 2020; 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.:

- The current year accounts are prepared on an income and expenditure basis but the prior year column of Section 2 has not been restated for comparative purposes. Section 2, Box 8 should be £155,367 to agree to the bank reconciliation submitted for review.

The AGAR has not been signed in accordance with the Accounts and Audit Regulations 2015:

- Section 2 was not signed by the Responsible Finance Officer before approval.

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

The smaller authority has not arranged for an independent internal auditor to review the internal controls and give their conclusion in the Annual Internal Audit Report. It must disclose this by answering 'No' to Assertion 6 of the Annual Governance Statement on the 2020/21 AGAR. In future years, the smaller authority must maintain an adequate and effective system of internal audit of the accounting records and control systems.

The smaller authority has not provided:

- an adequate explanation for the variance between the prior and current year values in Box 6 of Section 2.

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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 2020.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature



Date

19/11/2020

* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2019/20 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)