

Section 3 – External Auditor Report and Certificate 2019/20

In respect of **Shavington cum Gresty Parish Council – CH0177**

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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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.

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

The smaller authority has confirmed that it has not complied with the governance assertions 1,2,4,6 and 7 in Section 1 and has provided the appointed auditor with explanations for non-compliance. It is to be noted that the smaller authority's 'No' response to assertion 6 suggests there has not been an effective internal audit function in the year; however, we have seen detailed reports prepared by the internal auditor that are consistent with the responses given in Section 1 and include recommendations for improvement. The internal auditor drew attention to significant weaknesses in relation to budget planning, Public rights provisions, delegation of functions to a single member of its committee, Fixed asset valuations, the reclaiming of VAT and the supporting documentation for expense claims. The smaller authority has provided evidence of the issues raised by the internal auditor being discussed at full council and details of the intended action to be taken to address the issues.

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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

PKF Littlejohn LLP

Date

24/11/2020

* 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)