

Section 3 – External Auditor Report and Certificate 2018/19

In respect of **LYNEHAM AND BRADENSTOKE PARISH COUNCIL – WI0152**

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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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 in Section 1, Boxes 1 – 8 during 2018/19, but it has provided the appointed auditor with an adequate explanation for non-compliance and details of the actions necessary to address significant weaknesses identified. We note that considerable progress has been made since the appointment of an experienced Clerk/RFO.

The smaller authority failed to approve the AGAR in time to publish it before 1 July 2019, it failed to submit it to us for review and also failed to publish the final signed AGAR before 30 September 2019, the dates required by the Accounts and Audit Regulations 2015. As a result, it was issued with a statutory recommendation followed by a public interest report for non-response.

Subsequently the internal audit was carried out and the internal auditor has drawn attention, in the Annual Internal Audit Report and their detailed report, to significant weaknesses in respect of accounting records and bank reconciliations, governance and meeting documentation, budgeting, risk assessment and the fixed asset register. The smaller authority has confirmed that it has taken on board the recommendations in the internal audit report and has set up an action plan to address the weaknesses identified.

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 did not include the first 10 working days of July and the required documentation was not published on its website for the entire period. 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.

The smaller authority has not provided an adequate explanation for the variance between the prior and current year values in Boxes 3, 4 and 6 of Section 2.

We note that the smaller authority does not hold copies of the minutes of any meetings held during February and March 2019, which includes a period when the smaller authority did not have a clerk in post.

As a result of challenge correspondence received by the appointed auditor, additional work has been carried out and the smaller authority has been charged an additional fee for this work.

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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

PKF Littlejohn LLP

Date

03/02/2020

* 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)