

Section 3 – External Auditor Report and Certificate 2017/18

In respect of

Churchdown Parish Council (GL0052)

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 2018; 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 has not been approved in accordance with the Accounts and Audit Regulations 2015:

- Section 2 was approved before Section 1 as indicated by the minute references.

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 figures in Boxes 2 and 3 should read £230,497 and £65,599 respectively. All grants, including Council Tax Support Grant, should be shown in Box 3, as per the guidance notes on the AGAR.
- The figure in Section 2, Box 9 of the prior year comparative column does not agree to the prior year final Annual Return. In addition, information received from the smaller authority indicates that assets purchased during the year have not been included in Section 2, Box 9 for the current year. Box 9 for the prior year and current year should read £1,583,211 and £1,607,164 respectively.
- As reported by the external auditor for 2016/17, the smaller authority is a sole managing trustee of Chapel Hay Play Area and St Johns Play Area expenditure relating to the trusts had been incorrectly paid from the authority's own bank account and fixed assets belonging to the trusts had been included in the authority's own fixed asset register. No amendment has been made to the figures as a result of this matter and hence in our opinion the smaller authority should have answered No to Section 1, assertions 7 and 9.

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

The smaller authority has not provided:

- Year end bank statements for three of the accounts to support the bank reconciliation to Section 2, Box 8. These were requested as part of our intermediate review procedures.

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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 2018.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature

Date

12/09/2018

* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2017/18 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)