

Section 3 - External Auditor Report and Certificate 2019/20

In respect of

Harpden Parish Council

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 and Ireland) and **does not** provide the same level of assurance that such an audit would do.

2 External auditor report 2019/20

Except for the matters reported below on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with the 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 Council has not provided for the proper period for the exercise of electors' rights in relation to the AGAR. The period was not announced until 30 November 2020 which was after the latest permitted under the AA(Coronavirus)(Amendment) Regs 2020 date of 1 September 2020. The notice posted did not contain details of a commencement date and so it is assumed the period commenced the working day after it was announced in line with the Accounts and Audit Regulations 2015.

We reported a breach in relation to the 2019 public rights period, as a result we would have expected the Council to have provided a 'No' to Assertion 4 of the 2020 Annual Governance Statement, which it has not done.

This evidences that the Council has not addressed issues previously reported on and consequently we would have expected Box 7 of the Annual Governance Statement to have been answered 'No'.

The Clerk has not signed the Annual Governance Statement which was submitted to us for review by the Council in breach of the Accounts and Audit Regulations 2015, Regulation (6)(3).

The Council has received significant funds in relation to the Community Infrastructure Levy over the past 2 years. As part of our review, where funds held are greater than 2 times the level of precept (currently 46 times precept) additional information is sort. Councils are not entitled to hold funds without purpose. Where significant amounts have been received and retained, we would anticipate the Council earmarking them for specific qualifying projects or otherwise identifying how they intend to apply those funds. The Council should ensure during the current year it fully considers these funds and their application. The Council should provide minutes of these considerations and their outcome to the external auditor which should, where possible, be before the end of the 2020- 21 Annual Return period.

As part of our review of the Accounting Statements, where variances in relation to the prior year's values are greater than 15%, explanations are to be provided. The Council has not provided sufficient information in respect of the variances in box 4, Staff Costs, therefore this aspect of our review is incomplete. In future the Council should identify and provide a numeric summary of all variances over 15% with an explanation to support why and how each variance has occurred.

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

The Internal Auditor answered 'Yes' to boxes K and L on the Annual Internal Auditor Report. The Council did not claim exemption in the prior year nor did it properly provide for public rights in the prior year. We would therefore have anticipated each of these assertions to have been answered 'No'.

3 External auditor certificate 2019/20

We certify/ ~~do not 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



External Auditor Signature

Date

09/02/2021

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