

Section 3 – External Auditor Report and Certificate 2019/20

In respect of

Tebay Parish Council – CU0230

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.

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 (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. 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 as a grant for £137 has been included in Box 2 when it should have been included in Box 3. All grants, including Council Tax Support Grant, should be shown in Box 3, as per the guidance notes on the AGAR.
- Information received from the smaller authority indicates £244 of cancelled cheques and a refund of £29 have been included as income in Section 2, Box 3 in the prior year and a cancelled cheque of £29 has been included in Section 2, Box 3 for the current year. These items should have been netted off against the relevant expenditure rather than shown as income.
- Unpresented cheques have been incorrectly omitted from the bank reconciliation and from expenditure in Section 2 for both years. The figures in Section 2, Boxes 7, 8 should reflect the reconciled bank position and not the bank statement figures. The unpresented cheques of £7,594 in the current year and £272 in the prior year should be deducted from the figures in Boxes 7 and 8 and added to the figures in Boxes 4 or 6, depending on the nature of the expense. The unpresented cheques of £272 in the prior year should also be deducted from Boxes 4 or 6 in the current year, depending on the nature of the expense as they have been accounted for in the incorrect period.
- On the basis that the cancelled cheques, refunds and unpresented cheques noted above all relate to Box 6 expenditure, the net effect of the above adjustments is that the prior year Section 2, Boxes 3, 6, 7 and 8 should read £5,274, £15,427, £16,899 and £16,899 respectively. Section 2, Boxes 1, 2, 3, 6, 7 and 8 for the current year should read £16,899, £12,400, £30,015, £41,648, £15,566 and £15,566 respectively.

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

In the prior year, the smaller authority was exempt from our review, thus we have not reviewed any evidence to support the prior year comparatives on the AGAR.

3 External auditor certificate 2019/20

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

28/11/2020

* 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)