

Section 3 – External Auditor Report and Certificate 2017/18

In respect of **BELBROUGHTON PARISH COUNCIL (REF WO0012)**

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 was not accurately completed before submission for review:

- During the year there was income of £25,000 included within Section 2, Box 3 relating to the release of an internal accounting creditor which had originated in the year ended 31 March 2015. This represented movements of funds between different reserves and should not have been reflected in the figures on the AGAR as the transaction did not affect the total reserves. As this affects the reserves brought forward from 2015 the prior year comparative figures in Boxes 1 and 7 are understated by £25,000. In addition Boxes 1 and 3 in the current year are understated and overstated, respectively, by £25,000. The figures in the prior year Boxes 1 and 7 should read £302,875 and £304,710 respectively and the figures in the current year Boxes 1 and 3 should read £304,710 and £27,580 respectively. Please ensure that amendments are corrected in the prior year comparatives when completing next year's AGAR.

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

None

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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

PKF Littlejohn LLP

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)